May 11, 1970

International Commerce

A UNITED STATES DEPARTMENT OF COMMERCE PUBLICATION

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California Council for International Trade Observes World Trade W

World Trade Week 1970

A U.S. DEPARTMENT OF COMMERCE WEEKLY

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International Trade Winds

Company News

FINANCING—The First Washington Securities Corp., a private investment house with emphasis on international transactions, has been formed in Washington, D.C. Collaborating with First Washington, and a major shareholder, is Banca Commerciale Italiana in Milan, which has operations in Europe, Africa, the Middle East and Latin America. Investment opportunities, especially in Europe, Latin America and the Far East, will receive heavy emphasis.

ROLLER MILLS—Fuller Co., Catasauqua, Pa., and Loesche Hartzerkleinerungs—und Zementmaschinen K.G., Duesseldorf, have entered into an agreement granting Fuller an exclusive license to manufacture and distribute Loesche roller mills in the U.S., Canada and Mexico. Fuller will produce the mills at its Allentown, Pa., facilities. The mills, used for grinding applications for cement raw materials and for various other minerals and chemicals, will extend Fuller's capabilities, especially in dry process cement plants.

CONSTRUCTION—Armstrong Cork International GmbH, the German subsidiary of Armstrong Cork Co., Lancaster, Pa., awarded a contract for facilities to manufacture ceiling materials to Lummus GmbH in Wiesbaden, a subsidiary of the Lummus Co., international engineering and construction company in Bloomfield, N.J. Lummus will provide the engineering, procurement and advisory construction services for the new plant which will be located at Munster. The factory will serve EEC nations, Switzerland, Austria, the Middle East and North Africa. Completion is expected in early 1972.

INDUSTRIAL LEASING—The Bank of America, San Francisco, and the Banco Comercial Mexicano group are the two principal partners in the formation of a new industrial leasing company in Mexico City. The firm, Arrendadora Comermex S.A. de C.V., will engage in general capital equipment leasing to support industrial development of the Mexican economy. A major activity will be the financing of aircraft and industrial machinery. The firm will be managed by the Mexican investors with the Bank of America providing technical expertise and assistance.

Calendar

The many activities scheduled around the country during World Trade Week have preempted the space of the Newsletter feature regularly found here. Calendar for International Traders continues from this page to its usual place on the inside back cover.

ATLANTIC CITY — May 18-19 — Third annual New Jersey World Trade Conference, Haddon-Hall Hotel. Sponsors: New Jersey State Dept. of Commerce and Industry, New Jersey World Trade Committee, Philadelphia Field Office.

BALTIMORE — May 22 — Maritime Day buffet luncheon, aboard the vessel Port Welcome. Sponsor: Propeller Club.

BOSTON—May 21—National Maritime Day Luncheon, Anthony's Pier 4 Restaurant. Speaker: **Under Secretary of Commerce Rocco Siciliano.** Sponsors: Propeller Club, Foreign Commerce Club, Massachusetts Port Authority, International Center of New England.

CEDAR RAPIDS, IOWA—May 19— World Trade Week Meeting, Roosevelt Motor Hotel, 6 p.m. Topics: Marine Insurance and Export Financing. Sponsors: Int'l Trade Bureau, Chamber of Commerce.

CHARLESTON, S.C.—May 19—National Maritime Day Banquet, Colony House. Sponsors: Propeller Club of Charleston, South Carolina Ports Authority, Charleston Pilots Assn., Charleston Maritime Assn.

CHARLESTON, W. VA.—May 19 —Export seminar in the Conference Room of the McJunkin Corp. Sponsors: West Virginia Dept. of Commerce and REEC.

CHICAGO—May 18—Ocean Freight Agents Assn. World Trade Week Luncheon, Illinois Athletic Club.

CHICAGO—May 20—Chicago Midwest Credit Management Assn. meeting, Bismarck Hotel.

CHICAGO—May 22—National Maritime Day observance, Crystal Ballroom of the Sheraton Blackstone Hotel. Sponsored by the Propeller Club of the United States.

CINCINNATI — May 27 — World Trade Week Dinner. Sponsors: Greater Cincinnati World Trade Club, REEC, Field Office.

CLEVELAND—May 20—Export sales seminar, 10 a.m.-noon, Commerce Field Office.

DANBURY, CONN. — May 21 — World Trade Week Dinner 6:30 p.m. at Red Lion Restaurant, Route 7, Ridgefield. Sponsors: Danbury Chamber of Commerce, REEC, Connecticut Development Commission, Commerce's Hartford Field Office.

DECATUR, ILL.—May 19—Export seminar sponsored by the Decatur Chamber of Commerce, Illinois Dept. of Business and Economic Development, Commerce Dept.'s Chicago Field Office.

DES MOINES — May 20 — Second Canada Trade Day, all-day seminar at Hotel Savery, 9:15 a.m. Sponsors: Iowa REEC, Iowa Development Commission, Chamber of Commerce and Commerce Field Office.

DETROIT—May 19—Export workshop, Commerce Field Office, 533 Federal Bldg., 10 a.m.

DETROIT—May 21—World Trade Club of Detroit, Pick-Fort Shelby Hotel, 6 p.m.

GARY, IND.—May 20—Export seminar sponsored by the Gary Chamber of Commerce, Indiana Dept. of Commerce, and Commerce's Chicago Field Office.

GRAND RAPIDS—May 22—Monthly meeting of Western Michigan Trade Club, 6 p.m., Spring Lake Country Club.

HONOLULU — May 20 — "How to Get Started in Export-Import" workshop, 10 a.m., Field Office.

HONOLULU — May 21 — World Trade Week Luncheon aboard the S.S. Lurline, Pier 10. Sponsors: Propeller Club, Hawaii World Trade Assn., Hawaii Manufacturers Assn.

JACKSONVILLE—May 22—Fourth Annual World Trade Dinner. Speaker: Argentine Ambassador to the United States Pedro Real.

KANSAS CITY — May 21 — World Trade Dinner, William Rockhill Nel-

(Cont'd on inside back cover)

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Expressions herein from private sources are meant to stimulate thought toward the solution of problems confronting the international businessman and to provide constructive suggestions, but they are personal opinions. Contents of this publication are not copyrighted unless so indicated. Noncopyrighted materials may be reprinted freely. Mention of source will be appreciated. Use of funds for printing this publication approved by the Director of the Bureau of the Budget on June 17, 1966.

the cover

The annual nationwide observance of World Trade Week begins next Sunday. Today's cover lists some of the hundreds of export-oriented organizations which are sponsoring special trade activities in all parts of the country. President Nixon and the Commerce Department have made special efforts to get the week off to a successful start. Story begins on page 2.

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International Commerce

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Busy Trade Week ahead

President's message, Commerce activities lend momentum to nationwide observances

No matter where you look next week, there's a good chance that some activity connected to the annual observance of World Trade Week will be in progress. From the White House, through all the major ports through which the nation's trade flows, and down to some of the smaller cities in the country the emphasis will be on public ceremonies which spotlight what is done without much fanfare during the rest of the year—vigorous sales of U.S. products in foreign markets.

Commerce Field Offices throughout the country cooperated in arranging many of these events, as encouraged by President Nixon in his World Trade Week proclamation.

Commerce Secretary Maurice H. Stans will be the featured speaker at the Foreign Traders Association of Philadelphia's World Trade Week Dinner at the Downtown Club on May 21.

In the Philadelphia-South Jersey area, Robert F. Gilkeson, President of Philadelphia Electric, has been selected as Chairman of the Mayor's Committee for World Trade Week. Scheduled events include the Third New Jersey World Trade Conference to be held May 18-19 at Atlantic City's Haddon-Hall Hotel, beginning with a dinner at 7 p.m. The agenda on Tuesday May 19 starts at 8:30 a.m. in the Vernon Room followed by a luncheon at which the principal speaker will be Robert J. Dixson, Chairman of the National Foreign Trade Council and Vice Chairman of Johnson and Johnson International. This conference is sponsored by the New Jersey State Department of Labor and Industry, Bureau of International Operations; the New Jersey World Trade Committee and Commerce's Philadelphia Field Office.

The 1970 World Trade Week observance in the New York metropolitan area will be bi-state in character, with events scheduled on both the New York and New Jersey sides of the Hudson River.

A World Trade Day Luncheon will be held May 18 in New York, 12:30 p.m. at the Plaza Hotel, sponsored by the Commerce & Industry Assn. of New York and the World Trade Club of New York; speaker: Carl J. Gilbert, the President's Special Representative for Trade Negotiations.

The Air Cargo Transportation Day Luncheon, 12:30 p.m. May 19 at the Statler-Hilton Hotel, will be sponsored by the International Executives Assn.; speaker: James J. Rice, Vice President for Cargo and Military Sales, Pan American World Airways.

A Port of New York Harbor Inspection Tour, sponsored by The Port of New York Authority has been scheduled for May 20.

A May 20 World Trade Week Luncheon Meeting at the Officers' Club of the U.S. Merchant Marine Academy at Kings Point, will be sponsored by the World Trade Club of the Long Island Assn. of Commerce and Industry; speaker: Neal L. Moylan, Commissioner of Commerce, New York State Dept. of Commerce.

Foreign Freight Forwarders & Customs Brokers Night has also been scheduled for May 20, at 7 p.m. in the Hotel Commodore, sponsored by the Foreign Commerce Club of New York; speaker: George H. Hearn, Commissioner, Federal Maritime Commission.

Three World Trade Week luncheons have been scheduled for May 21:

The Rotary Club will hear Neal L. Moylan at its 12:15 meeting in the Commodore Hotel;

The Propeller Club of New York will hear Andrew E. Gibson, Administrator of the U.S. Maritime Administration, at its 12:30 session in the Biltmore; and

The World Trade Assn. of New Jersey will be addressed by Robert McLellan, Deputy Asst. Secretary of Commerce for Business Development, at its 12:30 luncheon at Newark's Military Park Hotel.

National Maritime Day Ceremonies will be held at noon on May 22 in New York's Battery Park. Speaker: Vice Admiral Arthur R. Gralla, Commander, Military Sea Transportation Service. The program also will feature drill teams and bands from the U.S. Merchant Marine Academy at Kings Point, the New York State Maritime College at Fort Schuyler, and the Third Naval District Band.

Also on the 22nd, a Riverboat Ball at 8 p.m. aboard the side-wheeler Alexander Hamilton from the Circle Line Pier at the foot of West 41st Street, will benefit the South Street Seaport Museum.

Kings Point Day observance will be held May 23 at the U.S. Merchant Marine Academy at Kings Point, 10:30 a.m. Speaker: Arthur C. Rutzen, Director of Commerce's New York Field Office.

Chicago-area activity reflects the State of Illinois' standing as the top exporting state. On May 18 the Ocean Freight Agents Assn. has scheduled a luncheon at the Illinois Athletic Club. On the 19th, an export seminar has been scheduled for Decatur, sponsored by the local Chamber of Commerce, and the Illinois Dept. of Business and Economic Development.

Two events mark the May 20 calendar: a meeting of the Chicago Midwest Credit Management Assn. in the Sheraton Blackstone Hotel and an export seminar across the state line in Gary, Ind. The latter event will be sponsored by the Gary Chamber and the Indiana Dept. of Commerce.

May 22 also has two events: a Na-

President sees trade in wide role

President Nixon, making his 1970 World Trade Week Proclamation, said:

"World trade is a major stimulus to international understanding and to economic growth—in our nation and in other nations of the world. Both the peace and the prosperity of our planet will be considerably enhanced in the 1970s by a continuing expansion of international trade.

"The United States can contribute to that expansion in several ways. We must be sure that our industries and businesses are ready and able to compete in international markets. We must continue to develop trade policies which encourage freer exchange—policies such as I outlined in a message to the Congress last fall. And we must also be sure that our entire economy is as strong and as sound as possible."

In proclaiming the week beginning May 17 as World Trade Week, the President requested that Federal, State and local officials cooperate with the U.S. world trade community in helping to promote continuing awareness of the importance of world trade.

tional Maritime Day observance sponsored by the Propeller Club at the Sheraton Blackstone's Crystal Ballroom, and an export seminar sponsored by the Skokie Valley Industrial Assn. at the Pyrenees Restaurant, Skokie.

San Francisco's activities will kick off with the International Mariners Ball, sponsored by the Propeller Club at the Sheraton Palace Hotel May 16. The Club will follow this up with a Master Mariners' Regatta the following day.

A May 18 Luncheon will hear Rudolph A. Peterson, former head of the Bank of America, discuss his leading role in drawing up a Presidential report on Aid in the 1970s. Sponsors include the San Francisco World Trade Assn., World Affairs Council, California Council for International Trade and the Society for International Development.

The San Francisco World Trade Association, a Council of the Greater San Francisco Chamber of Commerce, will hold its annual World Trade and Travel Week luncheon at the Fairmont Hotel's Venetian Room May 21. Felix Schnyder, Swiss Ambassador to the United States, will be the guest speaker.

National Maritime Day will be observed with memorial services at the Marine Museum, Aquatic Park. Lt. Governor Ed Reinecke will be the luncheon speaker at this May 22 event.

A container display along California Street will be handled by Junior Chamber of Commerce's Maritime Committee. An essay contest with ocean voyages as prizes is also planned.

Oakland will hold its annual international banquet honoring the San Francisco Consular Corps, at 10 Jack London Square. This May 22 event is sponsored by the Oakland World Trade Club, in cooperation with the City of Oakland, the Port of Oakland, and the Alameda County Board of Supervisors.

In Memphis, there will be a plenary meeting of the Memphis Regional Export Expansion Council the afternoon of May 19 followed by a dinner sponsored by the Memphis World Trade Club with the cooperation of the REEC, the Memphis Area Chamber of Commerce and the Commerce Field Office. The speaker will be Robert J. Patrick, Deputy Special Assistant to the Assistant Secretary of Treasury for Tax Policy. He will talk about the tax incentive proposal recently advanced by the U.S. Treasury Department known as DISC (Domestic International Sales Corp.). The featured speaker at the REEC meeting will be Louis Jurika, Executive Vice President of AIESEC from New York, who will talk about the international business exchange program where-

Commerce sets Trade Week pace

As nationwide preparations were being made for World Trade Week the Commerce Department set a brisk preview pace with a meeting on trader's problems to be attended by top business leaders, a meeting of the National Export Expansion Council, and an award of the first 'E Stars' for sustained excellence in exporting.

About 500 top executives from the nation's leading firms have been invited to the half-day meeting on trade issues scheduled for May 13. Commerce Secretary Maurice H. Stans will address the session in the department's auditorium, which will also hear leaders from business and industry describe the continuing problems in world trade and suggest remedies for overcoming them.

The NEEC meeting in Washington's Sheraton-Park Hotel will feature a May 13 Executive Board meeting and dinner meeting to be addressed by Paul McCracken, chief of the President's Council of Economic Advisers. The following day will see a regular business session of the full NEEC membership and a luncheon at which Commerce Secretary Stans and Agriculture Secretary Clifford M. Hardin will present the first of the newest export awards.

The President's "E Star" Award was created to recognize the additional export achievements of U.S. manufacturers and business organizations that previously had received the Presidential "E" Award for excellence in exporting.

To earn an "E Star," a company must exceed prior achievements in exports or export service during the past three years, not overlapping the period recognized by the "E" Award.

by students from the United States and foreign countries can be trained for future assignments in international business.

The Mid-South Exporters' Roundtable in Memphis is sponsoring a May 20 luncheon and an afternoon Forum on Africa. The luncheon speaker will be Dr. Rene La Marre, President of the Afro-American Purchasing Center in New York. An afternoon panel will have three experienced area exporters, each covering an area of the African continent.

In Nashville, the Middle Tennessee Exporters' Roundtable is sponsoring a similar luncheon program on May 21 at which Dr. Rene La Marre will speak on Exporting to Africa. This program is being co-sponsored by the REEC and Commerce's Memphis Field Office.

The Memphis *Commercial Appeal* scheduled a feature article on world trade in the Memphis area to appear on Sunday, May 17. The heads of all organizations concerned with international trade in Memphis helped prepare the article.

An export seminar with two major West Virginia groups, the West Virginia REEC and West Virginia Department of Commerce will be held at the McJunkin Corp. conference room, Tuseday, May 19.

J. Raymond DePaulo, Director of Commerce's Charleston, West Virginia Field Office will speak at the Kanawha Valley Transportation Club May 21. He will talk on the trade mission he led to Italy.

Los Angeles World Trade Week events will include an in-plant export seminar at Builders Brass Works, conducted by Ernest J. Rokahr of the Commerce Dept. Field Office on May 20. Field Office specialist William T. Lockett will take part in an export promotion panel at City Hall on May 19. Sponsors include the Mayor's City Economic Development Board and the Export Managers Assn. of Los Angeles.

Cleveland's week will feature the presentation of one of the first Presidential "E Star" awards to Lempco International of Maple Heights, Ohio, on May 22 and a regular "E" award to ARDAC/USA International of Gates Mills, Ohio on May 21.

The Sixth Wisconsin International Trade Conference has been timed to coincide with World Trade Week's nationwide observance. Scheduled for May 20 in Milwaukee's Pfister Hotel the meeting will feature six panel discussions on various aspects of foreign trade.

The Fourth Annual Jacksonville World Trade Dinner will be the highlight of that city's World Trade Week activities. The dinner is scheduled for May 22, and has Argentine Ambassador to the United States Pedro Real as the guest speaker. This event also will focus attention on the sister-city relationship between Jacksonville and Bahia Blanca, Argentina.

A meeting of the North-Central Florida REEC is also scheduled to take place in Jacksonville on May 21. A portion of the meeting will be devoted to a report by the REEC Chairman, Norman M. Sewell, on the NEEC meeting in Washington.

A leadership-level delegation from the Tampa world trade community plans to participate in the 20th Annual Chamber of

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Commerce of the Americas conference in Willemstadt Curacao, Netherlands Antilles, during the week of May 20 as part of Tampa's World Trade Week activities.

An export trade seminar is scheduled for Tampa May 13 in connection with the community's salute to World Trade Week. The seminar will be co-sponsored by the Pan American Commission of the Tampa Chamber of Commerce, Jacksonville Field Office, and the North-Central Florida REEC.

The Propeller Club of Tampa plans to hold its Annual National Maritime banquet on May 22.

The graduation dinner of the 16-week Seventh Annual Orlando Export Trade Seminar is scheduled to be held on May 21 as the highlight of local World Trade Week observance. REEC Vice Chairman W. F. Walker will serve as the guest speaker.

For World Trade Week 1970 the Kansas City metropolitan area will spotlight commerce with Italy.

On May 17, the *Kansas City Star* will publish a special ten-page supplement to the Sunday paper regarding international trade.

During the week of May 17-23 exhibits of Italian goods imported, as well as Kansas City goods exported to Italy, will be held at two major shopping centers—Metcalf South and Ward Parkway. Monday, May 18, a wine-tasting and fashion show sponsored by the Italian Government will be held at another center.

The Presidential "E Star" Award will be presented to the H. D. Lee Co. on May 20, at a luncheon to be held at their new office building.

On Thursday, May 21, a formal dinner co-sponsored by the International Trade Club of Greater Kansas City, Women's Chamber of Commerce, International Relations Council, and Kansas City Chamber of Commerce will be held at the William Rockhill Nelson Art Gallery in Kansas City. Commercial Minister Alberto Rossi from the Italian Embassy in Washington and Mayor Illus W. Davis will be the featured speakers.

The North Carolina REEC has arranged for municipal libraries in principal cities throughout the state to carry displays featuring international activities during World Trade Week. One hundred and fifty-five radio and twelve television stations across the state have agreed to carry spot announcements and several daily newspapers will carry stories of local firms involved in world trade.

The traditional highlight of South Carolina's World Trade Week celebration is the May 19 banquet in Charleston commemorating National Maritime Day. The Propeller Club of Charleston, joins with the South Carolina State Ports Authority, the Charleston Pilots Assn., the Charleston Maritime Assn., Delta Nu Alpha fraternity, the National Defense Transportation Assn., and the Charleston Trident Chamber, in sponsoring this one large affair. Guest speaker for this year's banquet to be held at the Colony House will be the President of the American Institute of Merchant Shipping, James J. Reynolds.

Hawaii's planned activities will feature a May 20 export-import workshop in the Commerce Field Office at 10 a.m. The Small Business Administration and the Bank of Hawaii will be joint sponsors.

Hawaii will observe Maritime Day on May 21, with a World Trade Week luncheon at noon aboard the S.S. Lurline, docked at Pier 10. The Presidential "E for Export" award will be presented to Wisdom Rubber industries at the luncheon, sponsors of which include the Hawaii REEC, Propeller Club of Honolulu, Hawaii World Trade Assn., Chamber of Commerce of Hawaii and Hawaii Manufacturers Assn.

'World Trade Week—1970' for Western Pennsylvania will be celebrated with a non-traveling road show beginning Monday, May 18th. World Trade programs will be held on successive days in Washington, Erie, Greensburg, Oil City/Franklin /Titusville and McKeesport. Beginning May 18. the products exported from these communities will be displayed in store windows.

The mayors of each city will proclaim World Trade Day. This type of program was made possible through the use of the informal export luncheon forums which have been organized in the last two years.

Under Secretary of Commerce Rocco Siciliano will highlight Boston's Trade Week action with an address to a National Maritime Day luncheon May 21. Sponsors of the event, at Anthony's Pier 4 Restaurant, include the Propeller Club of Boston, Foreign Commerce Club of Boston, Massachusetts Port Authority and the International Center of New England.

Miami's week will feature a one-day symposium on foreign trade and investment on May 20, sponsored by the REEC and other South Florida organizations.

The Port of Baltimore has scheduled a full program for the week, leading off with four harbor tours on May 17. Visits to vessels in port by World Trade Week committee members and hostesses presenting mementos to ships and captains have been lined up for May 18-23. Addresses by port officials to community clubs and organizations on the importance of world trade to Baltimore are also planned.

The Rotary Club of Baltimore will hold a luncheon at the Lord Baltimore Hotel, 12:15 p.m., May 19, and the annual Ambassadors' tour of the port aboard the Port Welcome will be held May 21.

The Maritime Day buffet luncheon, hosted by the Propeller Club of Baltimore aboard the motor vessel Port Welcome on May 22, will hear the announcement of the Propeller Club essay contest winner among Maryland high school entrants.

A Communion and breakfast for waterfront workers, will be celebrated at Our Lady of Good Counsel Church, Locust Point, May 24.

The Louisiana-Mississippi Regional Export Expansion Council, the New Orleans Commerce Field Office, Commissioners of the Port of New Orleans, and other organizations will co-sponsor a World Trade Week Luncheon to be held at the Plimsoll Club, in New Orleans' International Trade

WORLD TRADE WEEK in Pittsburgh is proclaimed annually by the County Commissioners, shown in 1969 action. From left, seated, are Commissioners Thomas J. Foerster, Leonard C. Staisey, and Dr. William R. Hunt. Standing, Lewis F. Conman, Commerce Field Office Director; John Rumisek of Greater Pittsburgh Chamber of Commerce; and John Henshaw of PPG Industries, president of Chamber's World Trade Council.

Mart, May 20. The Export Managers' Club of New Orleans is sponsoring the event.

Immediately following the luncheon, the Louisiana-Mississippi REEC will meet. Committee reports will be read, new Council members will be introduced, and a report on the May 13-14 National Export Expansion Council meeting will be given.

On May 21 a World Trade Week luncheon will be held by the Rotary Club of Vicksburg. Speaker for the occasion will be Erik F. Johnsen, President of Central Gulf Steamship Lines of New Orleans.

The St. Louis Chamber of Commerce magazine put out a special World Trade Week edition featuring articles on the President's new trade legislation and a feature by Commerce Secretary Stans on the Administration's free trade policy.

A World Trade Week luncheon will be held May 19 at Stouffer's Riverfront Inn jointly sponsored by the Chamber of Commerce World Trade Development Committee, World Trade Club, and St. Louis REEC. George Ball, president of Lehman Brothers, will be the principal speaker. NEEC member Donald W. Douglas, Jr., will represent Secretary Stans and present "E Star" Awards to the Brauner Export Co. and Moog Int'l.

An export conference will be held May 20 at the Holiday Inn in Marion, Illinois, co-sponsored by the Fabick Machinery Co. and Diagraph Bradley, Inc., in cooperation with the State of Illinois, Southern Illinois Inc., and St. Louis REEC.

Port of Mobile Night will be observed at the World Trade Club of St. Louis dinner meeting at Colony Motor Inn May 21, in cooperation with the Chamber of Commerce and the St. Louis REEC.

A Missouri "Show Me" export conference will be sponsored by the Fabick Brothers Equipment Co. at the Country Club in Sikeston May 22, in cooperation with the State of Missouri; Missouri Chamber of Commerce; the Chambers of Commerce of Sikeston, Poplar Bluff, and Cape Girardeau; and the St. Louis REEC.

J. Curtis Lewis, Mayor of Savannah, proclaimed World Trade Week, urging all citizens to join in promoting world trade.

A World Trade Week REEC Luncheon at the Regency Room of the Downtowner Motel in Savannah at 12:30 on May 22 will hear Jack O. Padrick, Director of Commerce's Office of Field Services.

The Annual Maritime Banquet sponsored by the Savannah Propeller Club will be held at the DeSoto Hilton's Main Ballroom on the evening of May 22. Padrick again will speak.

The principal event in Iowa during World Trade Week will be a seminar in Des Moines on May 20—Second Canada Trade Day. Sponsoring the event are members of the Iowa REEC, the Iowa Development Commission, and the Greater Des Moines Chamber of Commerce.

This meeting, like the First Canada Trade Day in 1967, is expected to attract over 150 businessmen and officials from the Midwestern United States and Canada.

The program will feature prominent Canadian and U.S. speakers, including the Governor of Iowa, Robert Ray; the Canadian Consul General from Chicago, L. H. Ausman; and E. J. McWilliam, President, Winnipeg Grain Exchange.

Other principal speakers on the program are Robert Hamerschlag, Senior Canadian Desk Officer, U.S. Dept. of Commerce; Forrest L. Rogers, Economic Advisor of the Bank of Nova Scotia; R. D. Sirrs, Senior Canadian Trade Commissioner, Chicago; and Thomas W. Freeze, Vice President, Marketing, Salsbury Laboratories, Charles City, Iowa.

The Iowa Regional Export Expansion Council and personnel of Co-operative Offices are meeting together throughout Iowa to discuss ways to provide exporters with additional assistance. These meetings —ten in all—will also provide an opportunity for a general exchange of views on Commerce publications and services. Each REEC member and Co-operative Office director will bring one or more potential exporters.

Other meetings

The International Trade Bureau of the Cedar Rapids Chamber of Commerce will hold a dinner meeting on May 19. Several specialists will be present to discuss two topics of prime importance to international traders—Marine Insurance and Export Financing. The meeting, which is to be held at the Roosevelt Motor Hotel in Cedar Rapids, Iowa, starts at 6 p.m. with a social hour, followed by dinner at 7.

World Trade Week observances in Atlanta will be highlighted by an all-day program on May 21 under the joint sponsorship of the Georgia International Trade Assn., Georgia Department of Industry and Trade, and the Atlanta Regional Office of Pan American World Airways.

At 8:30 a.m., a group of businessmen will attend an export workshop at the Georgian Terrace Hotel for new exporters.

The workshop participants will join 200 guests of the Georgia International Trade Assn. at noon for a luncheon. New officers of the Association will be installed, scholarships will be awarded to two students in the Institute of International Business of Georgia State University, whose President Noah Langdale will speak.

Pan American World Airways and Georgia International Trade Assn. will host a 4 p.m. reception in the exhibit hall of the Georgian Terrace Hotel. The hall will contain colorful exhibits prepared and manned by Georgia Service Industries international trade and travel specialists.

The Arizona international trade community will celebrate World Trade Week with a number of activities jointly sponsored by the Arizona Regional Export Expansion Council, the Arizona World Trade Association, and the Phoenix Chamber of Commerce.

These three organizations will each have five speakers who will appear before two civic organizations each to speak about the importance of international trade to our Nation and the State of Arizona, and about the exporters of Arizona who are developing new markets overseas.

In addition, an active public relations program is being initiated which will provide radio and television appearances for various members of the international trade community in Arizona. A special newspaper article also will be written about World Trade Week and Arizona's stake in international trade.

An Air Cargo Export Seminar will be held on May 26, sponsored by Trans World Airlines, Arizona REEC, Department of Commerce, Small Business Administration, Arizona World Trade Association and Arizona State University.

In Detroit, arrangements were under way to have World Trade Week messages flashed from spectacular, above-highway, electrically-operated advertising signs throughout the State, especially in the metropolitan Detroit area. Department stores, banks, and public utilities assisted with the display.

A World Trade Week article was prepared for *The Detroiter*, the weekly publication of the Greater Detroit Chamber of Commerce.

A Business Development Conference has been scheduled for May 22 at Grand Rapids, including a speech by a representative of the Commerce Field Office.

Arrangements have been made to have several members of the Michigan REEC appear on a state TV "Morning Show" to discuss the U.S. role in international trade, and the need to increase its exports.

Cincinnati's celebration of World Trade Week 1970 is being organized by that city's World Trade Club, in cooperation with the REEC.

The program will feature two international executives from local firms, Carroll F. White, vice president of Dubois Chemicals, a Division of W. R. Grace and Co.; and Joseph Eveland, export manager for Emery Industries.

The meeting will be held at the University Club on May 27. A reception at 6 p.m. will precede dinner at 7.

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Davis says today's competition forces new U.S. trade policy

Commercial official, in Financial Executive article, describes three options; suggests business advice is important now

The United States must decide soon on new directions in its foreign economic policy, and business has a vital stake in the choice to be made, a Commerce Department official writes in the May issue of *Financial Executive* magazine.

Kenneth N. Davis, Jr., Assistant Secretary of Commerce for Domestic and International Business, declares in the article that changing world competitive conditions urgently require a re-evaluation of fundamental United States international trade and monetary policies.

"There are seriously conflicting positions in the business community and within the government on some crucial international economic issues," he observes.

For example, the multinational companies, Davis says, strongly urge removal of government restrictions on direct overseas business investment and yet are unsympathetic to proposals for import quotas recommended by other major industries which face different international competitive problems. These include steel, textiles, consumer electronics and shoes.

Within government, Davis notes, there is a growing difference of opinion as to the importance of the nation's continuing balance of payments deficit as a policy constraint. Increasingly, there are those who advocate the substitution of a flexible international monetary adjustment system in place of the balance of payments discipline which has guided United States international trade and investment policy in recent years. These advocates often support increased flows of imports to benefit consumers and help reduce inflationary price pressures.

Changing conditions

Noting the viewpoint of business and labor, Davis points out that U.S. industry has felt the effect of the growing rise in economic nationalism throughout the world, and that the once-great technological lead held by the United States in many fields is disappearing as the capability of other industrialized nations grows.

Davis lists three policy options which represent possible choices available for a new direction in United States international economic policy, each of which he says currently has influential supporters within the councils of business or government.

First: "Balance of payments should be downgraded as a major United States policy constraint. A more flexible international exchange system should become our primary monetary objective. Foreign imports should be generally permitted to flow more freely to benefit the consumer and fight inflation. Impacted domestic industry should shift to other fields through adjustment assistance or other means. Promotion of United States exports is marginally useful, but not a matter of highest national priority."

Second: "The United States balance of payments should continue to be an overriding policy constraint, at least until such time as a vastly improved world monetary system is actually in being. The United States should not turn to protectionism, but must become more energetic in expanding United States trade. Higher priority must be given to obtaining fair access to the markets of our trading partners, particularly Japan and Europe. For a very few industries, import restraints are needed. . . . An improved trade balance must be achieved before foreign direct investment controls can be significantly relaxed."

Third: "The United States balance of payments should continue to be an overriding policy constraint. Economic nationalism in other countries together with increased penetration of the United States market by foreign products is becoming . . . . very serious to both business and labor. There is no indication that fair access to foreign markets can be obtained, nor is there a free-trade answer to the problem of low-cost foreign labor and discriminatory foreign practices. . . . The United States must protect a substantial number of its industries through reasonable quotas. . . . Adjustment assistance is not a viable answer to the problem of major impacted industries."

Asks public expressions

Davis concludes by urging business leaders to become familiar with international economic issues and to speak out forcefully to government on their positions.

"The direction chosen (for United States foreign economic policy) will have an immediate and important effect on the activities of key government agencies. In turn, the results of government policymakers' actions will have a profound and telling influence on American industry, labor and the nation as a whole for years to come."

MEETING WORLD COMPETITION IN TODAY'S MARKETS was discussed recently by Kenneth N. Davis, Jr. (left), Assistant Secretary of Commerce for Domestic and International Business, and two California businessmen. William Cahill (right), who heads the Wilshire Lighting Co., Los Angeles, is supplying 10,000 bronze-finished chandeliers to the McKeon Construction Co., Sacramento, whose senior vice-president and general manager is N. Edgar Kramer. The construction firm will include the fixtures in a low-cost condominium development. In the past, more than 90% of such chandeliers have been imported from Europe; however, using modern materials, advanced design and mass production, Wilshire can compete.

Limits on textile, shoe imports sought in Mills bill; April entries bring quota measures near 500

Summary of month's actions on trade also has Tariff unit's import relief decisions, anti-trust verdict, reports on dumping

This article is another in a series of monthly reports outlining actions in Congress or elsewhere in Government, or by foreign or international bodies, affecting world trade, as noted by staff members of the Bureau of International Commerce's Trade & Commercial Policy Division.

CONGRESS

Legislation—The most significant action in Congress during April in the area of international trade was the introduction of H.R. 16920 by Rep. Wilbur Mills (Ark.), Chairman of the House Committee on Ways and Means. The Mills bill would limit U.S. imports of textiles and leather footwear in 1970 to the annual average of imports in 1967-68. The limitation would apply by country of origin and by category and would, in succeeding years, fluctuate proportionately with changes in domestic consumption. Higher import levels consistent with the declared purposes of the bill would be allowed for exporting countries adhering to international agreements negotiated by the President.

The Mills bill would also:

► liberalize existing escape clause and adjustment assistance provisions for relief from imports by substituting "substantial cause" for "major factor" as a criterion in determining injury to industries, firms and workers (the Administration's trade bill, H.R. 14870, would substitute, in industry cases, "primary cause," and in firm and worker cases, "substantial cause," for the present wording "major factor");

► restore until July 1, 1973 that part of the President's tariff cutting authority which was not expended in the Kennedy Round, provided it is used only when required to grant compensation for U.S. actions taken under the escape clause (the Administration bill would provide authority to cut tariffs in effect on July 1, 1967, which include the final Kennedy Round rates, by up to 20% or 2 percentage points);

► repeal the requirement that escape clause tariff relief be terminated after four years unless extended by the President (not contained in the Administration bill).

The Mills bill does not include provision for repeal of the American Selling Price system of valuation, as does the Administration bill. The Administration bill contains no provisions to limit imports of textiles and leather shoes.

During the remainder of the month, more than 165 Congressmen introduced or cosponsored 97 measures similar to the Mills bill, and a companion bill, S. 3723, was submitted in the Senate by Sen. Thomas J. McIntyre (N.H.).

Seven other import quota bills were submitted during the month, bringing the total number of quota bills pending in Congress to about 485. Four general "orderly marketing" bills, as well as one for meat and one for textiles, are similar to other bills previously introduced. A new proposal was set forth in H.R. 17270 by Rep. John Dent (Pa.) which would prevent interferences in labor disputes in the United States by importation of goods made by foreign subsidiaries.

The introduction of 13 other bills brought the total number of international trade-related bills of all types to about 725. Among these new bills were H.Res. 931 (Rep. Silvio O. Conte, Mass., plus 23 cosponsors), H.Res. 932 (Rep. Henry S. Reuss, Wisc., plus 25 cosponsors), H.Res. 933 (Rep. Reuss plus 14 cosponsors) and H.Res. 947 (Rep. Thaddeus J. Dulski, N.Y.) and H.Res. 956 (Rep. Hamilton Fish, Jr., N.Y.) which would express the sense of the House that the President implement the majority report of the Cabinet Task Force on Oil Import Control. A similar resolution, S.Res. 382, was placed before the Senate by Sen. Vance Hartke (Ind.) and six cosponsors. Two other bills on oil were submitted, H.R. 16779 by Rep. Conte and twelve cosponsors and H.R. 17129 by Rep. Frank J. Brasco (N.Y.), which would provide for elimination of the oil import program over a ten-year period.

On matters other than oil, H.R. 17068 by Rep. James C. Corman (Calif.) would amend the Tariff Schedules of the United States to provide for partial duty exemption for certain transportation vehicles manufactured in the United States but using foreign components imported under temporary bond. The bill is identical to H.R. 16393 introduced last month. Also similar to other bills reported last month is H.R. 16745 by Rep. Sam Gibbons (Fla.) to exempt shrimp vessels from duty on repairs and repair parts made abroad.

H.R. 17338, by Rep. John J. Duncan, Tenn., would provide for inspection of egg products, restrictions on the disposition of certain qualities of eggs and uniform standards for eggs in interstate or foreign commerce. H.R. 17387, by Rep. Edward I. Koch, N.Y., contains provisions to eliminate criminal activities in handling of air and waterborne cargo in international airports and sea ports of entry in the U.S.

Three bills proposing duty-free treatment for certain items were also introduced: H.R. 16789 by Rep. Gerald Ford, Mich., would amend the Tariff Schedules to provide for duty-free entry for certain hollow reinforcing bars; H.R. 16940 by Rep. Richard Fulton, Tenn., would extend to Dec. 31, 1972 the existing duty suspension on aluminum electrodes; and H.R. 17139 by Rep. John S. Monagan, Conn., and H.R. 17241 by Rep. Martha Griffiths, Mich., would extend through June 30, 1972 the existing duty suspension on certain forms of copper.

Floor actions were taken on two international trade bills in April. In the case of S. 2306, a bill to establish an international quarantine station for livestock used for breeding, the Senate agreed to House amendments (see this column in the April 13 issue) and added certain technical amendments and a provision to include Guam in the provisions of the bill. The House subsequently agreed to these amendments, thus clearing the bill for the President's signature. The House also passed by a vote of 238-94 H.R. 14714, an Act to encourage travel in the United States. The bill, along with H.R. 14685, another travel promotion measure, had been reported out by the Rules Committee after hearings earlier in the month.

Also during the month, draft legislation transmitted by the Secretary of Commerce to eliminate the present duty on natural rubber containing fillers, extenders, pigments or rubber processing chemicals was referred to the Senate Committee on Finance and the House Committee on Ways and Means.

Subcommittee Three of the House Judiciary Committee favorably reported S. 2624 as amended, a bill to improve the judicial machinery of the Customs Court.

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Hearings—Several Congressional Committees held hearings during April. The Senate Finance Committee and the House Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs both conducted hearings on oil import policy, and the Subcommittee on Small Business of the Senate Committee on Banking and Currency opened hearings on the high cost of certain types of home-heating fuel (several bills have been introduced in Congress to remove home-heating fuel oil to be consumed in New England from oil import restrictions).

Hearings for May—Rep. Wilbur Mills, Chairman of the House Committee on Ways and Means, announced on April 16 that the Committee's public hearings on foreign trade probably would begin in May. Chairman Mills stated that the hearings will emphasize the President's foreign trade proposals but will include "all other trade proposals pending before the Committee (such as H.R. 16920), as well as proposals to stimulate exports." H.R. 16920, the bill introduced in April by Rep. Mills to limit imports of textiles and footwear and to amend the provisions for tariff adjustment and adjustment assistance, is summarized in the first section of this report.

TARIFF COMMISSION

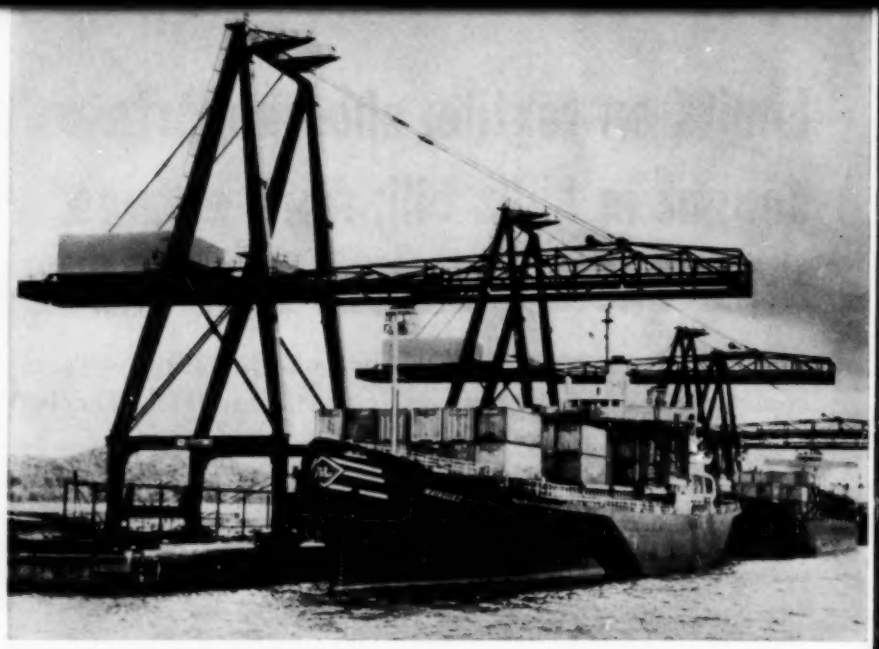
Decisions on Four Petitions for Relief from Imports—The Tariff Commission announced its findings with respect to four petitions for relief from imports which were filed on barbers' chairs and certain plastic- and rubber-soled footwear.

With respect to barbers' chairs, two petitions were filed by Emil J. Paidar Co. (see this column, Jan. 12), one on behalf of the U.S. industry, the other on behalf of the company itself. In its investigation of the industry petition for increased import restrictions, the Commission was evenly divided, 3-3, on the question of whether barbers' chairs and parts are, as a result in major part of trade agreement concessions, being imported in such increased quantities as to cause or threaten serious injury to the domestic industry. Chairman Sutton and Commissioners Leonard and Newsom found in the negative. Commissioners Thunberg, Clubb and Moore found in the affirmative, concluding that the duty rate must be increased from the existing 8% to 27½% ad valorem to remedy injury and that adjustment assistance must be granted to Paidar if the firm is to continue producing. In the case of a split decision on an industry petition, the President may consider the findings of either group as the finding of the Commission.

In the concurrent investigation of the petition filed on behalf of the Emil J. Paidar company the Commission was also evenly divided, but under the law a tie vote in this instance is a negative determination.

The Commission has also reported to the President the results of its investigation of two petitions for adjustment assistance filed on behalf of employees of the Uniroyal Rubber Footwear Plant, Woonsocket, R.I., one with respect to production and maintenance workers, and the second with respect to all salaried employees (see this column, Mar. 16). In both cases the Commission found (with Chairman Sutton and Commissioner Newsom dissenting and Commissioner Leonard absent) that footwear like or directly competitive with that produced by the Woonsocket plant is, as a result in major part of trade agreement concessions, being imported into the United States in such increased quantities as to be the major cause of unemployment or underemployment of a significant number of workers at the plant.

As a result of this finding, about 800 workers are now eligible to apply for adjustment assistance and, upon certification by the Secretary of Labor, may obtain such assistance at local offices of the State employment security agencies. This is the largest number of workers ever to be certified eligible for adjustment assistance in a single case under either the Trade Expansion Act of 1962 or the Automotive Products Trade Act of 1965.



WORLDWIDE CONTAINERIZATION EXPLOSION continues to change the nature and pace of the movement of goods, particularly manufactures. These Portainer cranes built by the Paceco Division of Fruehauf Corp. speed dockside activity at San Juan, Puerto Rico. Paceco has built such cranes since 1957.

Requests for copies of the public reports of these investigations should be sent to the Secretary, U.S. Tariff Commission, 8th and E Sts., NW., Washington, D.C. 20436.

New Import Injury Investigations—In April, the Tariff Commission instituted investigations in response to seven petitions for determinations of eligibility to apply for adjustment assistance under the Trade Expansion Act of 1962. Five of the petitions were filed by one firm and four groups of workers engaged in the production of women's and misses' dress shoes with leather, vinyl or fabric uppers. Petitioners are the Benson Shoe Co., of Lynn, Mass., and the workers of the Benson Shoe Co., the Dartmouth Shoe Co. of Brockton, Mass., the Hartman Shoe Co. of Haverhill, Mass., and Lemar Shoes, Inc., of Haverhill, Mass. A sixth petition was filed on behalf of the workers of the Eagle Shoe Manufacturing Co., Everett, Mass., with respect to men's, youths' and boys' soled moccasins and cement-process footwear of leather.

The seventh petition filed during the month came from the production and maintenance workers of the Bicycle Tire and Tube Division, Uniroyal Tire Co., Indianapolis, and involves bicycle tires and tubes.

Still pending before the Commission is the March petition of the Umbrella Frame Association of America, an industry case concerning umbrellas and associated metal parts.

OTHER AGENCIES

Justice Department—Anti-trust Suit—On April 22 the Department of Justice filed an anti-trust suit charging Westinghouse Electric Corp. and two Japanese firms, Mitsubishi Electric Corp. and Mitsubishi Heavy Industries, Ltd., with conspiring to restrain trade between the United States and Japan through restrictive patent and technology licensing agreements. The complaint, filed in the U.S. District Court in San Francisco, alleged that Westinghouse maintains agreements with each of the Japanese companies for exchange of patent and technology licenses relating to a large number of electrical and other products and that these agreements have had the effect of preventing sales of licensed products by the U.S. and Japanese firms in each other's home markets.

Products subject to these agreements include power transformers, switch gear and distribution apparatus, industrial control equipment, refrigerators, television sets, air conditioning equipment, and elevators.

The suit charged that:

1) Westinghouse and Mitsubishi have agreed not to sell the licensed products in each other's home country, regardless of whether such products are patented or not;

2) Westinghouse required the Japanese firms to accept a broader license than they desired, thus extending the territorial restrictions to additional products;

3) the firms agreed to make royalty payments to each other, irrespective of whether the products on which royalties were payable were patented or were produced by using the licensed technology.

The complaint further stated that the defendants entered into "side letters" to retain the original provisions of the agreements which had, themselves, been formally amended after Japanese Government objections. The suit also alleged that the agreements prevented Mitsubishi Electric from bidding on the sale of electrical equipment on certain construction projects in the United States.

The suit asked the court to:

► terminate the agreements between Westinghouse and the Japanese companies;

► order the defendants to grant reasonable royalty licenses to permit each to sell licensed products in the home market of the other;

► issue an injunction against Westinghouse maintaining any similar licensing agreements with other foreign parties.

Treasury—Dumping (steel bars and shapes; tuners; fixed resistors; transformers; sheet glass)—On April 6 the Treasury Department announced that steel bars, reinforcing bars and shapes manufactured by the Broken Hill Proprietary Co., Melbourne, Australia are being dumped into the United States and that dumping duties will be assessed on all imports made on or after Sept. 9, 1969. The finding follows a determination by the Treasury of sales at less than fair value and a finding by the Tariff Commission that such sales were causing injury to domestic industry (see this column of Dec. 16 and Mar. 16).

The Commissioner of Customs has instructed customs officers to withhold appraisement of tuners used in consumer electronic products imported from Japan pending determination as to whether there are sales at less than fair value within the meaning of the Antidumping Act of 1921, as amended. A determination by Treasury will be made within three months. Withholding of appraisement on imports, to be terminated in not more than six months, was ordered on grounds that there is reasonable presumption that the purchase price of tuners from Japan is, or is likely to be, less than their foreign market value. The original dumping investigation was instituted in Sept. 1968.

During April, the Bureau of Customs announced final determinations that fixed resistors of carbon composition and transformers, both from Japan, are not being, nor are likely to be, sold at less than fair value. In both cases it was found that the exporters' sale or purchase price was higher than the adjusted home market price, with a few exceptions. In the case of such exceptions the exporters provided assurances that no future sales will be made at less than home market price.

The Bureau of Customs has initiated inquiries into complaints that sheet glass from Italy, France and West Germany is being or is likely to be sold at less than fair value within the meaning of the Antidumping Act. The total value of sheet glass imports from these three countries in 1969 was over $11 million—$1.1 million from France, $6.5 million from West Germany and $3.5 million from Italy. Dumping cases are also pending on sheet glass imported from Belgium, Japan and Taiwan.

Treasury—Countervailing Duties (canned tomatoes and concentrates)—On April 6 the Treasury Department announced that the countervailing duty which has been assessed since June 1, 1968 on canned tomatoes and canned tomato concentrates from Italy has been increased. The increase, effective Feb. 21, follows an equivalent rise in the amount of subsidies paid by the Italian Government on exports of these products to the United States. The countervailing duty on canned tomatoes has been increased from approximately 1.1¢ per pound to about 1.4¢ per pound, while that on concentrates was enlarged from 2.2¢ to 2.4¢ per pound, except for concentrates of 95% or more, which will carry duties of 8.1¢ per pound.

Commerce—Export Controls—The Bureau of International Commerce has removed validated export license requirements on specified items in 222 commodity categories of the Commodity Control List, thus permitting unrestricted shipment of these items to the Soviet Union and other Eastern European countries. This is the first action taken to ease export controls since the Export Administration Act went into effect in January. The newly unrestricted items have been added to about 950 others which have been decontrolled over the past several years. The changes are expected to encourage exports of these products by eliminating the need for Government review and licensing of proposed transactions.

The specific commodities affected include selected types of textile fabrics, chemicals, iron and steel products, bookkeeping and adding machines, telephone and telegraph equipment, agricultural machines and tractors, conveying equipment, radio and television studio and audio equipment, hand and power tool parts, typewriting and printing machines, and electrical apparatus. Most had previously been authorized for export to Poland and Romania.

Details of the action are contained in Export Control Bulletin No. 17 which is available from the Bureau of International Commerce, Washington, D.C. 20230.

STATE AND LOCAL ACTIONS

New York—Buy American—The Buy American bill introduced in the New York State Assembly was recommitted to the Rules Committee and thereby removed from consideration by the legislature for this session. The Assembly adjourned on April 21. The bill had previously been favorably reported by the Committee on Local Government and had been the subject of some debate on the floor of the Assembly (see this column, April 13).

South Carolina—Textile Resolution—On March 31 the Senate and the House of Representatives of the State of South Carolina passed a concurrent resolution petitioning the President of the United States to "take action within the next 60 days to correct the situation which has resulted in the crippling of the textile industry by foreign textile importation." Copies of the resolution were sent to the President and to the State's representatives in the House and Senate.

INTERNATIONAL ORGANIZATIONS

UNCTAD—Preferences—Representatives of 84 countries attended the three-week meeting of the Special Committee

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on Preferences of the United Nations Committee on Trade and Development (UNCTAD), held in Geneva Mar. 31-Apr. 17. In this meeting the United States, the United Kingdom, the European Community, Japan and other developed countries explained their individual proposals for a mutually acceptable system of generalized non-reciprocal and non-discriminatory tariff preferences to be granted to the less-developed countries (LDC's). The main LDC interest was the addition of primary, processed agricultural, and textile items to the product coverage of the various schemes. The LDC's emphasized their need for special types of aid, particularly financial and technical assistance. The developed countries said these LDC views would be considered in future discussions on preferences. Although LDC's generally stressed the need to move ahead rapidly, there was little pressure to set an early deadline for implementation and no date was set for the next meeting.

GATT—Working Group on Import Restrictions—The Joint Working Group on Import Restrictions of the General Agreement on Tariffs and Trade (GATT) met in Geneva Apr. 13-24. The Group updated the non-tariff barrier inventory and discussed the possibility of relaxing or ending quantitative restrictions still maintained by developed countries. The information developed during this meeting will be used in the GATT meetings on industrial and agricultural import restrictions which will be held during May and June by the Committee on Trade in Industrial Products.

International Coffee Organization—Effective April 22 the total annual coffee export quota set by the International Coffee Organization (ICO) was increased for the April-June quarter by 750,000 bags. The total quota for the 1969-70 coffee year now amounts to approximately 51.8 million bags. The increase, which was prorated among the exporting members of the ICO, was made after the composite daily price of all types of coffee had remained above established ceiling prices for 15 consecutive market days. This is the third quota increase since the beginning of the quota year in October 1969.

'Compression of time' called major change in trade practice

Int'l Executives Assn. told of challenges in instant world transmittal of information; Commerce programs viewed

Dramatic changes in the ways of doing international business are evident in today's "compression of time," a corporate leader told the annual conference of the International Executives Association in New York last month.

John G. Montag, vice-president of the Caterpillar Tractor Co., Inc., Peoria, Ill., asked the traders in his audience to "think in terms of transmission of thought, of invoices, of bills of lading, of collection documents, in milliseconds."

He pictured tape transmission of information, already in use, and asked: "Is there any reason why you cannot transmit a draft, a bill of lading, or any other document in much the same manner? For some of these time-compressors we'll need legal recognition in international law. But that's merely a technicality.

"Now envision your transmittal of documents via electronic impulse on an undersea cable or via Telstar. Envision, too, the payment credited to your bank account in Paris, London, Tokyo, within the hour of the signing of the bill of lading and the draft, or within four hours, when the shipment has landed at the airport and the punch cards from the container have sent the telephonically transmitted signal to the paying bank confirming arrival of the merchandise. Consider the velocity of the use of money or the leverage your present volume of business would provide. This is not a dream. All of the tools to accomplish this are available now. We need merely to apply them and to get their legal acceptance.

"How can we qualify to use this burgeoning wealth of development and of change? If you think you've learned a great deal in the process of emergence from the foreign trader to the licensor, the manufacturer, the financier, the many-faceted international executive of today, picture how your needs for knowledge are going to grow to keep pace with employment of such technology.

"And if you rely upon banks, forwarders and other service agencies for transmittal and collection in this tremendous compression of time, you still must be ready to direct the disposition of the funds you collect. To reinvest, to expand, to transfer, to re-employ funds within the hour, you will need to know how to use more knowledge than the world had acquired in thousands of years. You will need to employ the specialists, you will need to re-educate yourself, and both you and the young tigers you hire will need to fight to keep abreast of day-to-day developments."

E. E. Schnellbacher, Assistant Director of Commerce Department's Bureau of International Commerce, reviewed the entire range of export expansion programs in Commerce and its sister agencies. He also told the IEA members why the Federal Government would be determined to expand U.S. exports even if there were no balance of payments problems:

"We look to private enterprise to respond to the new needs of our time because it is the prime source of the economic growth on which American well-being depends. Government alone cannot accomplish the task.

"This is why I think we must ask ourselves: If American industry does not—or cannot—compete effectively for sales abroad, can it remain competitive at home?

"In the Commerce Department, we believe that American industry's success in selling a larger share of its output in foreign markets—in working to resolve trade problems—in meeting foreign competition—is crucial to our Nation's economic strength and prosperity. So we are promoting export expansion.

"Now, this does not mean that we want to put everybody into export. Neither does it mean that we are against the internationalization of business. The point I want to make is that there is room in the growing world economy for the expansion of both multinational and U.S. export business. Both are important."

Walter H. Diamond, New York trade and foreign tax specialist, said that the new Treasury Department proposal for tax deferrals of revenue earned by domestic international sales corporations—DISCs—should be getting wholehearted support from the U.S. trading community. Actually, he noted, the DISC incentive falls short of concessions granted to exporters in other major industrial nations.

Harry P. Barrand, Jr., of the Franklin National Bank, said that the acceleration of world trade will move people toward better understanding, and that the growth of multinational corporations could bring international executives into action moderating the extremist tendencies of ultra-nationalist regimes and assisting the underdeveloped nations.

Georgia State University created international institute; receives Presidential export 'E' citation

Atlanta school keeps curriculum up-to-date; stages workshops on exporting with assistance of organizations interested in trade

Georgia State University in Atlanta, for its effort to prepare students for careers in international business activities and for providing the business community with properly trained personnel who contribute toward a company's ability to compete successfully in international trade, has received the Presidential "E" award.

To keep up with the changing needs of such a study program, GSU continually updates and expands its curriculum to meet commercial and political developments here and abroad. The faculty cooperates with organizations interested in international trade in conducting public and semi-public seminars and workshops on the techniques of world commerce.

GSU has participated with the World Trade Council of the Atlanta Chamber of Commerce, the International Trade Association of Atlanta, the Commerce Department's Atlanta Field Office, the Small Business Administration, the Atlanta Regional Export Expansion Council, the Georgia Department of Industry and Trade, and the Georgia Ports Authority in developing and implementing an Export Workshop series since 1963.

The facilities of the College, which became a University in September 1969, have been provided for holding the workshops during this seven-year period. Academic personnel worked with the business community, federal, state and local agencies in planning and developing the format of the workshop sessions.

Attendance at the initial workshop in 1963 was 22. Participants in succeeding years have significantly increased. Over 340 businessmen from the Atlanta metropolitan area and as far away as Chattanooga, Tennessee have participated in the workshop over this seven-year period. In 1969, 71 registered.

Articles by faculty members of the Institute of International Business concerning the problems of export expansion have appeared in two issues of the Institute's *Essays in International Business*. The first details various suggestions for expanding exports, the second the deteriorating trade balance of the State of Georgia and examines the applicability of computer methodology as a tool for export market research.

The Institute of International Business was established in 1964 as an integral part of the graduate division of the School of Business Administration. The Institute offers graduate work in international business at the MBA and doctoral level. A number of graduates in the MBA program have accepted positions in export departments of American firms and in the international departments of large New York, Atlanta and Miami banks.

Advisory council organized

In 1965, the Institute established an Advisory Council in International Business composed of business leaders whose firms are heavily engaged in international trade. The advice and counsel of this group has been used in planning and evaluating GSU's programs. In addition, the members of the Council and personnel from their companies have assisted as members of the Steering Committee for the Export Workshop and as lecturers and case consultants in actual workshop sessions.

The Institute has developed a computer methodology for international market research for export expansion and development of world markets. The purpose of this study is to develop a computer model to forecast world demand for commodities, selection of products for export, and determination of world markets for products.

Currently, Georgia has no central point for collecting and disseminating export trade leads. Discussions were recently undertaken between officials at GSU and the Georgia Department of Industry and Trade to explore the feasibility of funding a pilot project in this area by the Department of Industry and Trade. If the funds are obtained, the University Computer Center and the Institute of International Business will have the capability of providing the necessary data processing and academic resources to implement the project.

The possibility of holding several one day export workshops within the State of Georgia is also being considered. If enough interest could be generated in cities such as Macon, Columbus, Rome, Augusta, and Chattanooga, one-day workshops could be staged explaining to new and potential exporters basic procedures involved in world commerce.

A second type of one-day export workshop under discussion is the possibility of aiming a specific product at a particular target market, such as promoting textiles to Latin America.

ACCEPTING THE 'E' for Georgia State University is school president Dr. Noah Langdale, Jr., left. President and Chairman of the Export-Import Bank of the United States, Henry Kearns, presented the citation.

XUM

THE PAN AMERICAN Multi Trade Mission began its activities in Brazil. Pictured above is the combined business/Government group arriving in Sao Paulo.

MISSION REPORT: THE MARKET

Traders see sales ahead in Brazil and Venezuela

Pan Am Multi Mission finds markets in both countries; coordinated effort an eye opener

By REYNALDO RODRIGUEZ
Mission Director

Twenty-nine businessmen—representing large to medium size U.S. manufacturing firms with export operations—and several government specialists returned recently from an export selling tour conducted under the auspices of Pan American World Airways and the U.S. Department of Commerce.

For the participants it was an eye opener on how export sales may be maximized through an intensive and coordinated program that utilizes the worldwide facilities and expertise of an international carrier, the export promotion facilities of the Commerce Department and the Foreign Service, and the export credit facilities of the Export-Import Bank. This coordinated input, together with the aggressive efforts of these businessmen, resulted in aggregate sales of close to $350,000 and estimated follow-on sales of $6 million.

The setting was the inauguration by Pan American World Airways of nonstop service from Miami to Brazil's industrial heartland city of Sao Paulo. To mark the occasion and stimulate trade with the area, Pan Am made available a block of seats for use by U.S. businessmen, and the Multi Trade Mission to Brazil and Venezuela was organized. The mission, representing firms with diversified interests, was approved by the Commerce Department under its industry-organized Government-approved trade missions program.

Several industry and trade associations participated in recruiting members for the individual missions grouped by product interest: Food Processing Machinery and Supplies Association, Packaging Machinery Manufacturers Institute, and the Scientific Apparatus Makers Association. Also participating were the Michigan State Department of Commerce and the South Florida Regional Export Expansion Council.

The mission—which visited Sao Paulo, Rio de Janeiro, and Caracas March 12-25—found attractive markets with good growth possibilities.

The elements that contributed to the success of the mission are many, but among the most important are: the buoyant economies of Brazil and Venezuela, focus on product lines that are highly saleable in those markets, participation by firms with quality product, careful arrangement of interviews, and availability of financing.

Buoyant economies

The countries selected for the trade mission are rapidly developing countries whose growth rates in recent years have required a high level of imports of raw materials, tools, equipment and machinery and other capital goods. Attractive coffee prices plus notable increases in other exports in Brazil and income from petroleum in Venezuela are providing these countries with substantial exchange resources to finance growing imports.

The booming Brazilian economy, whose gross national product stood at $32.3 billion in 1969 and is growing at an annual rate of 9%, is generating a

strong demand for imports which reached $2 billion in 1969 and is expected to rise by 5% in 1970. The growth of manufacturing is proceeding at an even higher rate, estimated at 10% annually, thus accelerating imports of raw materials, tools, equipment, machinery and other capital goods. Strong world demand for coffee and capital inflows assure Brazil an increasing supply of foreign exchange with which to cover these imports.

In Venezuela, the mission found a strong stable economy whose gross national product stood at about $7.5 billion and which was expected to grow by 6% in 1970. Per capita income in excess of $900 annually is by far the highest in Latin America and about twice as high as the $450 annual per capita income of the Latin American region as a whole.

Competition from other sources of supply—particularly the Federal Republic of Germany, Japan, Great Britain and other Western European nations—is intensive in both countries. Price of the product is a major consideration, but at least of equal consideration in most cases is the availability of credit. To compete effectively in these markets, suppliers must ascertain that their terms are at least as liberal as those of the competition.

U.S. suppliers continue to enjoy certain advantages in these markets, however. U.S. products have a reputation for unexcelled quality, and the availability of overnight air transportation from Miami permits Brazilian and Venezuelan importers to reduce cost of inventories and helps to assure the prompt availability of replacement parts.

DIRECTOR RODRIGUEZ, who summarized mission's findings in accompanying article, discusses Caracas schedule with member Elmer E. Scarboro (left), Allen Fruit Co., Inc., Newberg, Ore.

Businessmen on mission listed

U.S. businessmen—many of them top officials of their firms—comprised the major part of the Pan Am Multi Trade Mission to Brazil and Venezuela, which is reporting its findings in this issue of INTERNATIONAL COMMERCE. The business members, and the companies they represented, were as follows:

Louis Alpert, Graphic Export Corp., Boston; Roger J. J. Berny, Palmer-Shile Co., Detroit; Charles A. Bigelow, Jervis B. Webb International Co., Detroit; Dr. George Blaine, Gaumard Scientific Models, Inc., Coral Gables; Sean C. Connolly, Borden, Inc., Randolph, N.Y.; Marvin E. Cothran, Digital Equipment Corp., Maynard, Mass.; Stanley Dosik, American Instrument Co., Silver Spring, Md.; R. Melvin Gabey, American Chain & Cable Co., Waterbury, Conn.; Bernard Z. Greenberg, Brewers & Bottlers Equipment Corp., Tampa, Fla.; John Groenestyn, Kieley & Mueller, Inc., Middletown, N.Y.

Henry E. Hanelt, Rapistan, Inc., Grand Rapids; Donald G. Hoey, G. T. Schjeldahl Co., East Providence; Lester K. Ketler, Inland Container Corp., Indianapolis; Frank A. Kruglinski, General Corrugated Machinery Co., Palisades Park, N.J.; Oman Lennen, Burford Distributing Corp., Dallas; W. W. Moyden, Fleetwood Systems, Inc., Countryside, Ill.; L. Gordon McCoy, Lew Manufacturing Co., Coventry, R.I.; Donald F. McVicar, Besser Overseas Corp., Alpena, Mich.; R. Thomas Mulvihill, International Equipment Co., Needham Heights, Mass.; Paul H. Parker, Woodman Co., Inc., Decatur, Ga.; P. Richard Petit, DASA Corp., Andover, Mass.; Charles A. Rossiter, Orion Research, Inc., Cambridge, Mass.; Elmer E. Scarboro, Allen Fruit Co., Inc., Newberg, Ore.; Jack H. Schron, Jergens, Inc., Cleveland; Robert A. Sindall, Jr., A. K. Robins & Co., Inc., Baltimore; O. J. Strock, Ground/Data Corp., Fort Lauderdale, Fla.; Franklin P. Taylor, Scientific Instrument Division, Buffalo; Roger F. Waindle, Ziebart Process Corp., Detroit; and Warren G. Wood, Varian Associates, Palo Alto, Calif.

Several Commerce Department specialists accompanied the mission. Director Reynaldo Rodriguez was assisted by Evelyn Hessler of the Office of International Regional Economics. Samuel J. Cerrato, Office of International Trade Promotion, served as coordinator. His assistant was Lewis Nixon of the Miami Field Office.

Richard Lankenau, State of Florida Department of Commerce; Robert Letzing, State of Michigan Department of Commerce; Gilbert Lochrie, Export-Import Bank; and John J. Sheridan, Small Business Administration, provided various services.

Pan Am officials who accompanied the mission were: David Price, marketing services; Fred P. Jensen, cargo sales for Latin America; and William Moore, cargo publicity.

Individual appraisals from the business participants are on pages 15-25.

Strong demand for products

The interest with which the Brazilian and Venezuelan import community responded to the arrival of the mission was in large measure due to the attractiveness of the products represented. In the early planning stage, a careful analysis was going on at the Commerce Department to identify the most dynamic growth items in Brazilian and Venezuelan import trade and to assess our ability to participate in this trade. Product lines finally selected were all capital goods and consisted of machinery and equipment for the food processing industry, materials handling and packaging, metalworking, printing and graphic arts, scientific and other industrial equipment.

Firms with marketable product

Once the product lines were selected, the next task was the selection of firms capable of competing in these markets. In this task, Commerce worked closely with the industry and trade associations, as well as the Michigan Department of Commerce and the Florida REEC—mentioned earlier.

The firms represented are among the leaders of their industries, with a product known for its quality and general excellence and, in almost all cases, with a record of successful selling abroad. However, a few were new to exporting and most were new to the Brazilian and Venezuelan markets. The mission members were readily impressed with the existing

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ARRIVING IN RIO, mission members hurry off for appointments. L. to r., A. Rodriguez, airport customer service mgr.; F. Jensen, mgr. cargo sales, Latin America; R. Rodriguez, Mission Director; D. Price, coordinator for Pan Am; member J. Schron; S. Cerrato, author of accompanying article; E. Hessler, Ass't to Mission Director; J. Mullin, Commercial Officer, U.S. Emb., Rio; P. Dault, Pan Am Director for Brazil.

dimensions and with the potential of these markets, and were quick to avail themselves of the opportunities presented. Direct sales and appointment of agents was the ultimate purpose of most of the transactions, although a number of transactions involving licensing arrangements and joint ventures were discussed and are under active consideration.

Business appointments

Upon arrival in every city, each member was presented a tight schedule of interviews that had been arranged—by the mission's advance team and the local Foreign Service post—on the basis of information he had previously supplied. The high quality of the interviews, the compactness of the schedule, and the meetings at the business center provided maximum utilization of the member's time. As one veteran trader said to the writer, "I find that I can do more in the way of business in two weeks on a mission of this kind than in 10 weeks abroad when I'm on my own."

Eximbank participates

Another new and significant feature was the presence on the mission of an Export-Import Bank representative who assisted in resolving credit problems. In countries such as Brazil and even Venezuela, where credit conditions are tight and where frequently its availability is the determining factor in the consummation of a sale, the Bank's presence was of significant importance. The writer was witness to one transaction involving $20,000 worth of printing machinery, where agreement in principle by the Bank's representative to finance the loan was the determining factor in the two parties' reaching an accord on the sale.

These are among the major elements that determined the mission's success. It represents the contribution of different entities—each with distinct goals but a common interest. The cement that bound us was, for the participating firms, the expectation of increased sales; for the carrier, it was increased freight volume; and for Uncle Sam, an improvement in our balance of payments. It was an enterprise in which everyone stood to gain, including the host countries that obtained U.S. products which are not produced efficiently locally and which are required for economic development.

Mission Director Rodriguez is Regional Affairs Officer for the American Republics Division of the Office of International Regional Economics in the Commerce Department's Bureau of International Commerce.

MISSION REPORT: RESULTS

Total direct sales reach $344,500 in Brazil, Venezuela

$6 million in orders expected in year; eight agencies named

By SAM CERRATO
Mission Coordinator

Immediate sales valued at $344,500, and anticipated sales of $6 million within the next 12 months have been reported by the recent Pan Am Multi Mission to Brazil and Venezuela. Additionally, eight agency arrangements have been concluded and 38 remain under negotiation.

These impressive results were developed through more than 650 personal interviews conducted by the business members of the mission.

The group spent an action-packed two weeks in Sao Paulo, Rio de Janeiro and Caracas: Upon arrival in each city, mission members were presented with an hour-by-hour program of individual business appointments, in addition to press conferences, commercial briefings, plant visits, VIP luncheons, and receptions. Before the group's arrival, Pan Am had placed full-page advertisements in each city's leading newspaper announcing the mission. The advertisement, which named each member and his product line, aided the mission in meeting with top management of government and commercial organizations in these cities which are popular with trade missions from all over the world.

Intangible results, too

Perhaps as significant as the tangible results already mentioned are a realization by the members of the existing potential and expanding business opportunities in these markets, the members' strong commitments to return to follow up on initial contacts, and their awareness of the effectiveness of well-organized officially sponsored trade promotion activity. In this regard, one of the participants, Roger Waindle, president of Zeibart Process Corp., Detroit, commented: "I was kept very busy. My experience has been that the number of good prospects available to a member of a mission far exceeds what a man can do alone."

MISSION REPORT: INSTRUMENTATION

Market for teaching aids seen expanding in Brazil, Venezuela as educational programs develop

Both countries are taking steps toward improvement; keen interest expressed in health, biological training equipment

By GEORGE BLAINE
Gaumard Scientific Models, Inc.
Coral Gables, Fla.

Provisions for improvement and expansion of education in both Brazil and Venezuela offer opportunities for U.S. suppliers of scientific equipment and teaching aids.

Brazil has two main economic development programs—a three-year and a ten-year plan. The 1970 Brazilian budget calls for expenditures of US$650 million on education, bringing the total allotment of funds for education to 12% of the national budget—unprecedented in the history of the country.

As part of this plan, U.S.AID has agreed to loan the Government of Brazil $32 million for improvement and expansion in secondary education, principally in the States of Bahia, Espirito Santo, Minas Gerais and Rio Grande de Sul. Some 276 new ginasios (high schools), conversion of 30 existing ginasios, significant curriculum changes, and training of a number of teachers are included in the plan. Vocational education is stressed.

In the State of Sao Paulo alone, the Department of Technical Education is spending about $7½ million on equipment for the natural sciences. The University of Sao Paulo is soon to be spending $12 million on science equipment and buildings. In health education, the Swedish International Development Agency has provided 7½ million Swedish kroner (about US$1.5 million) to be spent in any country, for Brazil's needs in this specialized field.

Top interest in aids

As for health educational and biological aids, our company's specialty, an unexpectedly high interest was expressed both in Sao Paulo and Rio de Janeiro on the part of Government officials at all levels, and educators and businessmen in the relevant industrial sector. The difficulty was not in making contacts, but in telescoping interviews and appointments. Neither was it in establishing satisfactory business relations, but in selection of local agents and distributors among equally qualified prospects. Also, although U.S. exports of such equipment must come first, establishment of joint ventures is the obvious early target—considering Brazil's requirements in the next three years.

Key is financing

The key to U.S. success in this potential market is adequate financing. Between 1964 and 1968, the USSR and its satellite countries have captured about $150 million worth of this market by terms unknown to private U.S. business: 5 to 10 year credits at low interest-rates, acceptance of Brazilian exports as part payment, one year or longer first-payment moratorium.

Given adequate Federal or other institutional financing from the United States, customer acceptance of our goods and services is not the question—we found universal acceptance and appreciation of the quality of U.S. materials. There is no room, however, for complacency. The Brazilian market is keenly sought by many nations. Sixteen countries are bidding on the Sao Paulo "Ensino Technico" project alone.

Many standard U.S. products may have to be adapted to the Brazilian market—bearing in mind the emphasis on basic educational needs. High quality, sophisticated equipment is sought, for example, by the University of Sao Paulo; but for the most part, requirements are for basic secondary education. In health, this means that equipment must be provided primarily for practical-nurse education before concentrating on registered-nurse education.

Comparison with equipment available from other countries puts the U.S. supplier in a favorable position. Our quality is good and in some areas there is no suitable foreign equivalent. New designs also have been suggested. Technical literature, explanatory and maintenance instructions and legends generally are acceptable in Spanish, but a country of 90 million people—and growing at the rate of 3½ % a year—deserves provision of such material in its own language.

I was able to arrange for distribution of our firm's products, and obtained a substantial starting order; was equally successful in being considered in early Government bids; was seriously approached to start joint ventures, and gained approval of certain types of equipment as of eminent usefulness in the currently planned Brazilian programs.

Outlook in Venezuela improves

The outlook for health and general education in Venezuela has been improving steadily in the last few years and should increase in importance during the coming years.

Venezuela has slightly more than 10% of the population of Brazil—about ten million. Its close proximity to the United States and its solid economic situation have made it a well established market for U.S. goods and services in many areas, including health and education. Competition is not so much with the Eastern bloc countries as with already established companies from the United States and with com-

GROUPS FROM MICHIGAN, FLORIDA helped organize mission. At right below, Dr. George Blaine of Coral Gables firm and author of report on this page, talks with prospective customers.

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panies from Western countries. Credit terms and business practices are similar to those in the United States.

I was told that the 1969 national budget provided about US$200 million each for health and education. In many areas within these fields, there is great sophistication. For example, Argentina's Social Security Services are using Venezuela's services for brain and open heart surgery, and for cobalt and other radiation therapy; in other areas, upgrading of curricula and training of practical nurses and of other medical auxiliaries are emphasized.

Interest in newest North American equipment and techniques is strong. The President of the Social Security Institute—Instituto Venezolano de los Seguros Sociales—asked me to discuss with him Venezuela's needs in practical-nurse education. As the Institute is building eight new hospitals, this question is of immediate urgency.

Interest keen

Some of the more important and well established importers handle European equipment, others already carry U.S. materials. Without exception, all expressed keen interest in handling the noncompetitive lines (new teaching models, as made by our company) and many were interested in changing from European companies whose quality generally is good, but whose deliveries may not always be prompt.

MISSION REPORT: INSTRUMENTATION

Scientific equipment prospects good in Brazil and Venezuela

Bright outlook for U.S. sales stems from economic gains, favorable Government attitude on investments for research

By WARREN G. WOOD
Varian Associates, Palo Alto, Calif.

Opportunities for export of scientific equipment to Brazil and Venezuela are good and our company expects them to improve in the future.

Three years ago, we decided to terminate an arrangement we had with our agent in Brazil and establish our own sales and service organization with offices in Sao Paulo and Rio de Janeiro. Since that time our business there has doubled —an indication that our decision was correct and timely. Our company manufactures such instruments as spectrometers, electrometers, magnetometers, and data systems.

We expect the growth rate of our business to continue at a high level for at least the next several years. Our confidence stems from the rapid improvements in the Brazilian economy, and more precisely, from the favorable attitude of the Government toward investments in scientific research—investments which directly benefit our firm.

Balanced against these positive indicators are: increased competition from European and Japanese competitors; the abnormally high taxes and duties which force our Brazilian customers to pay a landed price almost twice as high as that paid by our U.S. customers for our equipment; the acceptance, by the Brazilian Government, of financing terms from European countries which we are not able to match. This last factor has the dual impact of closing the market to us and, at the same time, in some instances causing the Brazilian Government to pay high prices for the European equipment because of the way in which the financing was handled. Nevertheless, and in spite of the negative factors, we expect to export more than $1 million worth of equipment to Brazil in 1970.

As we have had a relatively mature marketing organization there for the past several years, the trade mission's value to us was not in establishing contact with agents but in opening doors for us at higher levels in the Ministries of Finance, Planning and Education. Access to these agencies would have been difficult without the visit of the mission and the attendant publicity. We expect the meetings, which will result from these initial contacts, to make officials of the Brazilian Government more aware of the disadvantages of tieing their equipment purchases to European financing programs.

We expect the market for our products to expand and we hope to follow this expansion with increased sales and service at the local level.

Venezuelan market growing

The market for scientific instruments in Venezuela is small but growing, as the Government continues to increase its spending for higher education, and also for research—both basic and applied—in the educational institutions generally.

Instrumentation for health, education, industrial labs offers sales potential

The market for U.S. scientific instruments in Brazil and Venezuela is favorable, Charles Rossiter, Orion Research, Inc., Cambridge, Mass., reports. Orion not only sells to hospitals and public health facilities, but supplies instruments and electrodes to industries in which chemical analysis is required.

In Brazil, prospects will be very good for at least several years, Rossiter says, mainly in health and education.

"Under the Brazilian three-year plan," he explains, "an estimated $20 million is to be spent for laboratory equipment—mostly under a 'package' arrangement whereby the nation that offers the best financing will be awarded a contract. German, Japanese, and Eastern European countries are offering liberal credit terms—such as, for example, five-year payments for purchases of more than $200,000, or eight years with a two-year grace period. Generally, 10% is paid on delivery and 80% financed.

"In Venezuela, import taxes are low and scientists seem to prefer U.S. instruments over those made in Japan or Eastern Europe. A good market exists for more sophisticated equipment and few problems are encountered with financing.

"Venezuela is expanding its university system and its health program. The market is also excellent for instruments used in the petroleum, chemical, and mining industries, and the Government is increasing its expenditures in water pollution and in agriculture."

Our company has been represented in Venezuela for the past two years by a small but aggressive firm which has succeeded in increasing our business from essentially zero in 1967 to $80,000 in 1969, and we expect him to produce about $250,000 in 1970.

An important aspect of our marketing effort here is financing. Although we have not yet offered financing to our customers, we have begun to receive many inquiries concerning the possibility of three- to five-year loans and it is likely that we will have to provide this service in the near future.

Most of our customers are government agencies. For Eximbank financing, they must obtain a guarantee from the Central Bank—a procedure so costly and time consuming in some cases that such financing may not be feasible.

Our alternative is to finance through our own company. The cost to our customer would be higher; but the procedure, more convenient.

SCIENTIFIC APPARATUS Manufacturers Association also helped recruit mission members. In Sao Paulo, 2d from l., Stanley Dosik; 4th, Thomas Mulvihill; 6th, Charles Rossiter. All are instrument makers.

Blockmaking machinery sales prospects good

Donald F. McVicar, of the Besser Overseas Corp., Alpena, Mich., sells concrete blockmaking machinery. His company has been exporting for more than 30 years and has participated in trade missions before.

McVicar joined the group primarily to call on established customers, representatives, and new prospects, and to review the effectiveness of the firm's South American district manager.

"In Sao Paulo, I was able to meet with a number of new prospects and to visit two new block plants currently installing Besser equipment purchased last year," reported McVicar. "The Michigan group visited Buenos Aires, where the interviews arranged for me could result in substantial orders in the near future. I was also able to confirm final details on orders initiated earlier, through which we expect to ship about $200,000 worth of equipment into the area within the next three months.

"In Caracas, too, the appointments are likely to result in sales. One of our old customers indicated his intention of purchasing new equipment for two plants within the next 12 months."

MISSION REPORT: INSTRUMENTATION

Both countries offer substantial market for clinical, research tools

Routine instruments most in demand in Brazil; Venezuela needs also more sophisticated items; U.S. products popular

By THOMAS MULVIHILL
International Equipment Co., Needham Heights, Mass.

Export opportunities for routine and research laboratory instrumentation in Brazil and Venezuela represent a substantial market.

Brazil has a greater potential for the more routine (clinical) instrumentation and less potential for the more sophisticated (research). Venezuela has a relatively balanced potential for both.

Brazil is weighted in the routine or clinical type of instrumentation from the standpoint of population—there is a greater demand for laboratory facilities to provide adequate health care programs. I believe that Venezuela is conducting research at a slightly more advanced level and therefore has a more balanced requirement for routine and research instrumentation.

The need for all types in both Brazil and Venezuela is increasing significantly. Brazil especially has potential for clinical laboratory instrumentation because of the emphasis on improving public health care.

An important factor influencing U.S. penetration of both the existing and the potential market is customer acceptance of U.S.-manufactured instrumentation. U.S. instrumentation is regarded as excellent and of the best quality available—with the possible exception of such items made in Germany. Generally, customers would pay a slightly higher price for U.S. instruments if necessary.

Brazilian and Venezuelan dealers are more conscious than U.S. dealers of the need to be technically well informed. These dealers have realized that if they are successfully to capture a significant portion of the laboratory instrument market, good services and representation are mandatory.

Products offering immediate and future sales potential are all types of clinical and research laboratory instruments—

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centrifuges, microscopes, spectrophotometers, automatic clinical and research chemical analyzers.

Laboratory equipment presently in use is somewhat antiquated. With emphasis on more modern health care and research programs, however, more efficient instrumentation will be required to replace manual techniques.

As most laboratory instrumentation is purchased by government agencies, credit is usually available. For very large institutional purchases, the Eximbank has initiated programs for credit at competitive interest rates. Commercial loans are higher than in the United States; however, in Brazil commercial loan arrangements are tightly controlled by the Central Bank.

U.S. instrumentation generally does not have to be tailored to this market, with the exception of routine clinical instruments—for which a supplier should be conscious of price competition. Power characteristics are compatible with those of the United States. There are no standards or legal requirements for laboratory instrumentation in these countries.

REPORT: INSTRUMENTATION

Credit problems limit biochemical lab equipment sales

Competitors often get orders as a result of easier terms

By STANLEY DOSIK

American Instrument Co., Silver Spring, Md.

Participation in the Pan Am Multi Mission to Brazil and Venezuela enabled me to obtain a first-hand impression of the market for scientific/analytical instrumentation for bio-chemical laboratories, universities, and research institutes.

The lack of available U.S. credit and overseas credit expertise—compared to our foreign competitors—is a distinct drag on our marketing efforts; although our products are often superior or at least equal to those of our competitors, many sales are not consummated because the foreign products are easier to buy. Credits for exports should be made available from sources separate and apart from the standard (national) credit structure.

On location, I could see a growing need for high-level scientific equipment as the universities and research institutes are established and developed.

The Governments of East Germany and Japan are operating at high levels to insure that bids go to their national firms, by settling the credit question before the subject matter of the contract is even disclosed. This puts U.S. suppliers at a decided disadvantage from the outset.

Marketed through dealers

Scientific equipment is best marketed through dealers, who represent several—or many—complementary and now-existing lines. Their method of operation is to communicate with a research institute or university department as it is being established and outfitted, offer the end-user the complete line of their principal products. In this manner, they are able to install a variety of equipment, obtain a high dollar-volume sale, and in effect corner a spot for themselves in a particular laboratory or institute.

The institute cannot possibly pay cash for these initial, heavy expenditures for capital equipment outlay. The dealer must obtain the bulk credit within which the end user can prepare his budget. In effect, the dealer offers both the equipment and the credit to purchase.

The Brazilian market for our firm's equipment is possibly $75,000 annually for the next 5 years, provided credits are available; for Venezuela, about $30,000 or $40,000.

Market for electronic equipment is favorable in Brazil and Venezuela

O. J. Strock is vice president of Ground/Data Corp., Fort Lauderdale, Fla., manufacturers of electronics—particularly radio communication equipment and voice scramblers. Strock was impressed with the technical capability, the business acumen, and the enthusiasm of the companies interviewed.

He reported that he made many valuable contacts, some of which may lead to direct sales. For example, he visited the Brazilian space agency, which is embarking on a broad educational program for which equipment will be needed. Summarizing his conclusions, he said:

"I feel that any specialized line of equipment such as ours, for which there is insufficient demand to justify local manufacture, can be marketed in Brazil or Venezuela very effectively. My firm is likely to total at least $150,000 in sales within the next year as a result of this trade mission and, in following years, we see a potential of $200,000."

REPORT: INSTRUMENTATION

Microscope supplier gets orders, sees additional business

Talks held with State officials and hospital administrators

By F. P. TAYLOR

American Optical Corp., Buffalo, N.Y.

The objective of my visit to Brazil was to lend support to a new marketing operation for microscopes and other scientific instruments for our subsidiary, AO Optholiques Ltda. Some direct sales were made as a result of our participation in the trade mission.

Although the subsidiary manufactures eyeglasses, lenses and safety products for sale throughout South America, the marketing of scientific instruments takes place in Brazil only.

The program in Sao Paulo focused on meetings with State officials who administer purchases of our instrumentation for hospitals, health institutes, and education facilities. We also met with hospital administrators.

In Sao Paulo and Rio, we sold $110,000 worth of microscopes for delivery within 120 days. In Rio calls were made on hospitals, universities, and health clinics. Most of the doctors have a U.S. connection—in education or in their professional associations. They like U.S. products and have an appreciation for our advanced technology.

Competitive position seen

We foresee an annual business, within two years, in our scientific instrument line only, of sales exceeding $750,000 in Brazil. The fine team work by Gilbert Lochrie of the Eximbank and the subsequent approval by the bank of a loan with favorable terms should place us in a competitive position with firms in other countries.

In Caracas, I visited our distributor —one of the largest and oldest hospital and surgical supply houses operating in Venezuela.

We will support the marketing of our products by sending our best sales people from the United States to help, and expect the local scientific instrument sales manager to come to Buffalo for a training course.

More modern handling equipment needed for canning, canmaking industries in countries visited

High costs in Brazil make canned goods a luxury; automated systems sought in Venezuela, quotations on items requested

By W. W. MOYDEN
Fleetwood Systems, Inc., Countryside, Ill.

As a member of the recent Pan-American Multi-Mission to Brazil and Venezuela, I had an opportunity to assess at first hand the economies and the markets of the two nations.

As our company specializes in materials-handling equipment for the can manufacturing and canning industries, we were particularly interested in the outlook for such operations. We found both countries interested in modernization, though the growth of these industries is likely to be slower in Brazil than in Venezuela.

Can plants in Brazil are burdened by old, inefficient machinery which requires close operator attendance. No plants visited had automatic equipment designed for minimum operator utilization that one finds in the United States. Furthermore, as the Government-controlled tin mills cannot provide the light weight tinplate or tin free steel commonly used in the United States to keep container costs down, the cost of canned goods is too high for general use by the average Brazilian. Food or beverage in cans is therefore a luxury, and unless user costs can be reduced, I believe the can manufacturing industry will grow at a limited rate.

Welcome assistance

My discussions with officials of many companies indicated a concern with this problem. They welcome the assistance we can give them in automating or at least semi-automating their lines. Our equipment would enable them to upgrade present personnel and by so doing, assist in raising the average income.

Some dissatisfaction with the efforts of European competitors was evident. Most businessmen readily acknowledged the advanced technology and high quality of our product. U.S. industry in this area should not ignore the latent potential in this country.

Brazil, the fifth largest country in the world, is blessed with many resources. One of these is a capacity for producing foodstuffs, much of which could be canned for both domestic and export purposes.

My company will continue to work with our friends in Brazil to assist them in improving their lines. I am confident that the future will find us setting up an affiliated company in South America which will build our equipment for all LAFTA countries. Brazil will receive the thorough study it deserves at that time.

Venezuelans seek automation

Our counterparts in Venezuela were extremely competent, aggressive, market oriented, and to a man, proud of the fact that Venezuela has the highest standard of living in South America.

Still not satisfied with this achievement, these men wish to press on to higher goals. They yearn for the advanced ideas, technology and automated systems which their U.S. friends can give them. American industry should take a good long look at its potential in Venezuela. It will be pleased with the reception it receives in this rapidly developing country.

Our company specializes in transport and stacking equipment for can ends and in magnetic conveying equipment for empty and filled cans. My discussions with leaders in this field revealed a deep interest on their part in the latest technology being used in the United States.

Quality preferred

Unlike stores in most South American countries, Venezuelan supermarkets offer beer and beverages in cans. A number of companies now offer "easy-open" aluminum ends on these cans. Others plan to add this convenience in the near future.

While much European canmaking equipment is now being used, progressive companies prefer the higher quality, faster U.S. products for future lines. Our firm's equipment will tie these machines together into integrated systems which will operate with minimum manning, an important factor because of the relatively high labor cost in Venezuela. Our systems also will protect the quality of the can ends or can, by means of features that limit jams, scuffing, and damage.

Because of the interest shown in our equipment during my visit, and the requests for quotations on specific items, I am confident that this segment of industry in Venezuela is committed to an ongoing program of continuing improvement.

We look forward to working with the industry in Venezuela and trust that we may be allowed to assist in the upgrading of can manufacturing and cannery handling techniques.

Some Brazilian canneries expand, more planned

Robert A. Sindall, Jr., of the A. K. Robins & Co., Baltimore, calls attention to what he sees as an increasing potential for food-processing equipment sales in Brazil, as shown by the expansion of some existing canneries and plans for new facilities.

To sell equipment, says Sindall, one must be competitive with European as well as local suppliers. European companies have equipped most of the present canneries, also furnishing know-how and operational procedures.

"Managers of factories have advised that these suppliers also submit complete turnkey drawings, with indications of what equipment can be fabricated locally," he continues. "One must not only meet these conditions, but also work out the details of obtaining an import license and financing the equipment. European companies are submitting low prices and exceptionally good credit terms."

Sindall says that almost every transaction made in Brazil will require some sort of credit or financing. "If U.S. equipment is a quality product and the price competitive," he adds, "our manufacturers using Eximbank financing should be able to compete with our European counterparts."

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Market profile—Brazil

Area: 3,286,470 square miles (nearly half the continent of South America). Most of territory lies in the Torrid Zone.

Population: 92.3 million. Leading cities: São Paulo, 6 million; Rio de Janeiro, 4.3 million, (estimated, July 1, 1969). Language, Portuguese.

Economy: Gross national product, 1969, estimated at US$32.3 billion, 9% increase over previous year. Estimated sectorial contribution, 1966: agriculture 28%; manufacturing, mining, electricity and construction 27%; trade 12%; services 13%; and other 20%.

Agriculture: One of world's important agricultural producing nations, mostly self sufficient, wheat major exception. Principal crops—coffee, rice, corn, sugar, cocoa, cotton, manioc; world's leading coffee producer, exporter.

Minerals: World's ninth largest producer of iron ore with one of world's largest estimated reserves. A leading world producer of metallurgical grade manganese ore. Probable resources in most minerals.

Industry: Increasingly diversified; self-sufficiency in consumer and light capital goods. Major industries—automotive, food processing, textiles, chemicals, and metallurgy.

Finance: Montetary unit, cruzeiro (Cr$4.49=US$1). Gold and foreign exchange reserves $631 million as of November 1969.

Foreign trade: Imports, 1969 estimate, $2.2 billion (c.i.f.). U.S. share 30%. Other major suppliers—W. Germany, Argentina, Japan. Greatest import growth in machinery, equipment and raw materials.

Exports, $2.3 billion (f.o.b.). Export expansion of 19.5% in 1969. Principal exports—coffee, cocoa, iron ore, cotton, with impressive new gains in manufactures. U.S. main export market followed by W. Germany.

Trade policy: Relatively liberal import system. Exporting emphasized. Nonessential items of similar domestic production subject higher duty. Import concessions to certain developmental regions and industries. Member LAFTA and GATT.

Trade prospects: Moderate increase anticipated. Best prospects—machinery for metalworking, mining, construction, chemical, packaging, textile, agriculture, and scientific-technical equipment.

REPORT: FOOD PROCESSING

Canmaking potential limited in Brazil

By SEAN C. CONNOLLY
Borden, Inc., Randolph, N.Y.

Can manufacturing in Brazil is in an early stage of development. The pace at which it evolves is dependent on several factors, crucial to the industry, which at present militate against rapid improvement in production techniques.

First is the lack of tinplate of high quality at reasonable prices. It is imperative that this raw material be technologically on a par with that of other industrialized nations as to gage or thickness, coating weight, size, and temper, and be readily available. In the absence of a locally produced supply, the tariff structure for importing tinplate should not be punitive, because this will result not only in higher prices to the consumer but also in retardation of the development of a technically competent industry.

The second factor to which canmaking is tied is the necessity for a well developed agricultural base in vegetables, fruits, juices, fish and meat. Such development can best be aided by governmental or semi-governmental assistance or by the use of cooperatives. A well developed agricultural program involves seed, fertilizers, harvesting, grading for uniformity, distribution, and concentration of crops in certain areas. Generally the private sector alone cannot accomplish these tasks.

The canmaking industry at present in Brazil is in a "shake-out" period—not adequate but at least with the possibility for growth. Depending on the priorities established by the various departments of Government, improvement could be rapid, say, 3 to 5 years, or it could take as long as 10 years. There is no immediate evidence that the industry stands high on the list of priorities.

REPORT: FOOD PROCESSING

Bottling machinery sales prospects seen in Brazil, Venezuela

Quotations to be sent to Caracas; Rio, Sao Paulo, long-term market

By BERNARD Z. GREENBERG
Brewers & Bottlers Equipment Corp., Tampa, Fla.

My purpose in joining the Multi Trade Mission was to analyze the possibilities for exporting brewery and soft drink bottling machinery in the Brazilian and Venezuelan markets. The machinery and equipment marketed by our firm comes under the category of "remanufactured" or rebuilt equipment.

Brazil, with its vast population and expanding middle class, will no doubt require additional production facilities for all types of beverages including both beer and soft drinks. Higher speed production facilities recently have been installed in major soft drink plants now operating in Sao Paulo and Rio. One of the existing brewery chains has built a new brewery and two overseas firms are planning to erect new breweries in the near future.

Some of the equipment will come from home industries, as "similars" are not generally accepted for importation. Used or rebuilt equipment can be imported with certain restrictions. Since importation of anything but new equipment is a "favor" on the part of the government, certain certification and other documents must accompany such requests for import licenses. We hope that present requirements will be eased in the future, opening the way for us to serve the Brazilian market.

Venezuela has fewer restrictions on the same equipment. Industry is more familiar with rebuilt equipment. Both beer and beverage industries are expanding to satisfy a growing market. For the most part, the Caracas plants are equipped with high-production equipment. Outlying plants, however, will require added facilities as the interior regions develop.

Venezuelans have shown an eager interest in the machinery we sell. We will be submitting quotations to those prospects we met with on our visit to Caracas, and we are planning additional sales promotion in the near future.

MISSION REPORT: PACKAGING

Corrugated boxmaking equipment sales seen increasing ten-fold in the two countries visited

Small employee-owned company finds prospects for orders, agents, and subcontractors to manufacture its machines

By FRANK A. KRUGLINSKI

General Corrugated Machinery Co., Inc., Palisades Park, N.J.

An employee-owned corporation, our boxmaking equipment firm falls into the category of small business. Our shipments to Latin American are a small fraction of what they should be. Brazil and Venezuela combined have bought only about $10,000 worth of our equipment a year. We hope to multiply this total by ten in the near future, thanks to the combined efforts of the U.S. Commerce Department and the Pan American World Airways Trade Mission.

We met prospects that could lead to direct sales. We met potential agents for our line and possible manufacturers to act as sub-contractors to manufacture our equipment for this market. This would have been an impossible task to undertake without the help of the trade mission and its sponsors.

Our exposure to local businessmen made it clear to us that they prefer to deal with someone in their own country rather than by mail or through an occasional visit by someone from overseas, where capital equipment is concerned.

At this point, we do not believe our line of corrugated paper boxmaking and packaging machinery could support a full time direct representative of our own there. Our only alternative is to become established with a local agent. We believe we've found a good one for each country.

We expect to start by supplying machinery from our U.S. plant. As volume increases, we may have to think about having the machines built in Latin America. Contacts with local business men also brought to light that one European company is establishing a plant in Brazil and another is having machines built there by sub-contractors. That these machines will go into the industry we serve may have a serious effect on duty and make it impossible to import machines from the United States.

The steady stream of Brazilian and Venezuelan businessmen keeping appointments with us proved that they were interested in U.S.-made machines and U.S. know how. When requests were such that mission members could not be of help, they advised other mission members or appropriate firms back home of the specific interests.

The mission included an official of the U.S. Small Business Administration and one from the Eximbank. Their help and guidance should go a long way to help us overcome the fierce competition the U.S. businessman has overseas from French, German, Italian, English, and Japanese firms.

Rio brought us to the end of our mission in Brazil. During our business day, we had an unexpected request for an urgent quote on about $50,000 worth of machinery, and another on about $700,000 worth. How soon and how much of this will result in a firm order, only time will tell. With capital equipment, it takes time; if it weren't for the mission, we wouldn't even be quoting.

We've also learned we may start a sort of billiard game, with three cushion shots among our mission members: collectively, three of us can supply a line far more desirable than we can individually. Prior to this mission, we were not aware of the other lines.

In Venezuela, we found not only good prospects for agents and direct sales, but also the possibility of a multi-million-dollar installation by another U.S. machnery supplier that we would bring into the picture.

We urge all U.S. businessmen to exert some energy and get into the Latin American market before it's too late.

REPORT: PACKAGING

Special equipment offers best prospect in Brazil, Venezuela

Direct sales will be influenced by Government import regulations

The three subsidiary companies on whose behalf Lester Ketler participated in the mission handle packaging machinery for widely different products; poultry, fruit and produce, and liquids. "I am pleased with the number of good contacts I was

Maker of cookie packaging machinery expects to appoint agents

Paul H. Parker, of the Woodman Co., Inc., Decatur, Ga., says that most of his contacts in the two countries visited by the mission were with prospective agents.

Sales results from assigned agents often take a year or two to develop, Parker explains. Through direct sales assistance, his company hopes to reduce this period. "I'm sure we will establish a good relationship with an agent in each country visited," he adds.

"Our firm makes automatic machinery for packaging such items as cookies, crackers, potato chips, corn chips, pretzels, and popcorn. Sales for our standard line will be limited; however, there appears to be a large market for special applications requiring some design on our part. We shall pursue this lead with vigor."

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able to establish," says Ketler, of the Inland Container Corp., Indianapolis, Ind.

"Of 15 firms interviewed in Brazil, seven had an active interest in our machinery, and at least five should lead to more tangible relationships either in direct sales, sales representation, or licensing agreements," he reported, continuing:

"As for direct sales, they will be influenced by Brazilian Government rulings on import taxes. The equipment we offer is substantially different from locally manufactured products—more advanced, better engineered, and more efficient. Should the Brazilian officials conclude, however, that the local products are indeed 'similar,' the potential for sales will be considerably reduced.

"The market in Venezuela seems much the same as in Brazil, except on a reduced scale. Of my nine interviews, four might result in direct sales or representation."

MISSION REPORT: PACKAGING

Ready market for twist-tying equipment seen in South America

Problems must be solved, but are not considered prohibitive; Venezuela regarded most available prospect now, Brazil later

By OMAR LENNEN
Burford Distributing Corp., Dallas, Tex.

Any manufacturer who has already proven his machinery in the United States has a market available to him in South America, provided he treats the problems down there with patience and understanding.

Germany, Japan, and England long ago realized the potential of South America; we are already late in establishing ourselves in this market. Of the two countries visited, Venezuela will be our most available prospect and later on, Brazil.

The best targets for immediate sales of our twist-tying equipment are primarily bakeries, candy manufacturers, ice manufacturers, and dairies. Prevailing kinds of competition in packaging are the heat sealer machines, tape machines, optima band clip machines, and staplers. Main advantages of polyethylene-type packaging are in retention of the product's freshness and in the reusable feature of the package material.

Dairy food products and other foods requiring refrigeration present the most challenging problems there.

Selling equipment in Brazil and Venezuela will not require changes in styling, safety standards, sizes, or operation controls.

If credit is satisfactory, we can sell equipment through our own export financing, insurance, and guarantee system. Eximbank loans also are available.

Duty on "similar" equipment—if manufactured in Brazil—is quite high and sometimes export is impossible. If there is no problem of similarity, I understand the duty is around 30%.

After visiting with numerous sales agents and potential customers, I was pleased to learn that the cost of our equipment was, in their minds, not exhorbitant, and all we have to do is take care of the little details of doing business away from home and we will be putting money in the bank for our efforts.

Two major problems for us to overcome are: getting bags put up on wickets so that they can be opened by air for semi-automatic operations, and finding a twist-tie material similar to that used in the U.S.

In Venezuela, the primary market will be unit packaging for supermarket prepack warehouse concerns. We will also be selling to bakery and candy manufacturers.

Ice is already being put in bags in Venezuela, but these bags are heat sealed and they can be converted to the twist tied convenient packaging.

Automatic packaging of any product will be slow in the beginning, as polyethylene bags are not put up on wickets as a general rule. The machine that we will be selling first will be a style for semi-automatic hand-loaded production. Later on, the machines can influence the purchase of automatic baggers as soon as accurately wicketted bags are available.

The markets in Brazil that will utilize our twist tying equipmment are primarily crushed ice, candy, bread and liquid milk in pouches. There are more than a hundred sources of polyethylene bags in Brazil and the bag, with its reusable features, is well known to the average housewife.

We will soon be selling to South American customers proven equipment that solved problems for our North American customers four to five years ago—reaping a second harvest, without the initial cost of market testing.

TWIST-TYING EQUIPMENT closes plastic bag, as shown. Lennen (r.), tells customer about machinery.

Management training programs available in Brazil, Venezuela

IMA and universities provide extensive commercial education

By RUSSELL LOFTUS
Management Consultant, Sudbury, Mass.

U.S. executives whose companies are doing business in Brazil and Venezuela will be interested in both the quantity and quality of management education in these two countries as well as in most of the remaining countries of South America.

The American Management Association, familiar to most U.S. businessmen, has an extensive South American operation under its International Management Association. IMA has offices and other facilities in both Sao Paulo and Caracas. The Caracas office acts as headquarters for all of Spanish speaking South America.

Offerings in South America range from specially prepared in-company courses to multi-company programs in all of the functional and conceptual aspects of business. Methodology represented includes all of the most modern techniques available for the teaching of business. Many of these techniques were originally developed by AMA in the United States. Where necessary they have been modified for use in South America.

The level of the participants in IMA programs range from first line supervisors to the chief operating executives of various size business organizations. The key criterion for the faculty is the same that AMA has maintained in the United States over the years—"the instructor must be the best possible man available to teach a specific course."

Investment welcome

Foreign investment is generally welcome in both Brazil and Venezuela. Investment guarantees are available through AID to cover exchange inconvertibility, expropriation, war, and commercial risks.

Direct accumulated U.S. investment in Brazil, according to 1968 U.S. data, totaled $1.48 billion, of which $1.02 billion was in manufacturing. In Venezuela, the total was $2.62 billion; $1.78 billion was in petroleum.

Market profile—Venezuela

Area: 552,143 square miles, more than twice the size of Texas.

Population: 10 million, growth rate 3.5%; language, Spanish.

Economy: Gross national product, 1968, $9.3 billion; payments to foreign capital and labor, $0.6 billion; Gross Domestic Product $9.9 billion. Growth rate: about 5% annually. 1970-74 development plan in preparation.

Agriculture: Chief products—coffee, cacao, bananas, sugar, rice, corn, cotton, sesame; beef, pork, poultry, milk, eggs.

Minerals: Primarily petroleum, iron ore, limestone; also bauxite, coal, diamonds, gold, kaolin, marble, natural gas, nickel, phosphate, quartz.

Manufactures: Foods, metal products, chemicals, beverages, nonmetallic mineral products, paper and paperboard, graphic arts products, furniture, clothing.

Finance: Currency, bolivar, freely convertible for almost all transactions at approximately 4.5 per U.S. dollar. Foreign exchange reserves, $959 million.

Foreign trade: Imports, 1968, $1.56 billion (1967, $1.33 billion). Principal suppliers: U.S., 50.1%; W. Germany, 8.5%; U.K., 6.5%; Japan, 5.8%; Italy, 5%. Principal commodities: vehicles and parts, iron and steel, wheat, mining and construction equipment, organic chemicals.

Exports, 1968, $2.48 billion (1967, $2.46 billion). Principal markets: U.S., 32.6% (excluding petroleum refined in Netherlands Antilles and in Trinidad and Tobago and subsequently reexported to U.S.); Netherlands Antilles, 19.5%; Canada, 11.5%; U.K., 6.4%; Trinidad and Tobago, 5.5%. Principal commodities: petroleum and products, 93.4%; iron ore, 4.1%; other, 2.5%.

Trade policy: Strong tariff and license protection for domestic production, low tariff rates for non-competitive imports. Member of LAFTA. Bilateral tariff concessions under trade agreement with U.S.

Trade prospects: Imports up 6% in 1970; imports from U.S. up 4%; U.S. share close to 50%. Good sales prospects: equipment for construction, materials-handling, packaging and food processing, office work (excluding typewriters), and graphic arts.

Graduate, undergraduate schools

In addition to the IMA programs described, the universities of both Brazil and Venezuela have made remarkable progress in developing both graduate and undergraduate programs in business administration. These schools provide excellent sources for recruiting young, well-trained junior executives. The familiar U.S. pattern of university recruiting is already a fact of business life among the more progressive Brazilian and Venezuelan businesses.

In Brazil, the most outstanding of these university programs is under the Fundaçao Getulio Vargas in Sao Paulo. Affiliated with Escola de Administracao de Empnessas, the Vargas Foundation is the oldest of its type in South America. Its curricula and faculty development were assisted by Michigan State University under an AID grant. The Vargas Foundation offers an MBA program and an Executive Development Program of 13 weeks.

In Caracas, the Instituto de Estudios Superiores de Administration (IESA) offers a two-year MBA program. Faculty includes Venezuelans plus representatives from Northwestern, Cornell, and Harvard. In Maracaibo the Universidad del Zulia offers management programs to middle management personnel with a minimum of three years' practical experience.

In conclusion, we invite the attention of executives in the United States to the publication, "Training Managers: The International Guide," by Nancy G. McNulty of the Council for International Progress in Management. The book, published last year by Harper & Row, is a comprehensive guide to management programs around the world.

A consultant in international business education, Russell Loftus is Director of International Programs, Center for Continuing Education, Northeastern University, Boston. Loftus accompanied the mission.

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REPORT: EDP SYSTEMS

Small computers are needed for end-use market in Brazil

Best chance in communications, process control, education

By MARVIN E. COTHRAN
Digital Equipment Corp.

The Brazilian market for small computers today and perhaps for five years is an end-use market requiring systems that provide total solutions to specific problems.

In data communications, process control, education, and research the volume could reach 75 to 100 systems in the first two years.

Data processing for commercial operations could double this estimate; however, I believe the incubation period for this market is three years.

Systems needed

There is at present a need for data communications systems. The Brazilian Government and large businesses have installed a network of large computer-based systems with no efficient means of tying them together in a communications network. Present telephone lines and capability are not adequate for automatic dial services. This market segment for small computers represents about 60% of the first-two-year potential.

Process control systems represent the next major requirement. The desire of the Brazilian Government to have modern manufacturing facilities in their industrialization program presents a challenge for small computer based systems. Industrial control and data acquisition would provide an excellent means for exploiting the potential of this market.

Small education systems using multi-terminals with a conversational language would fulfill a major requirement in the secondary and university education program. A market also exists for small time-sharing systems in the engineering schools of all the universities.

Engineers and programmers are in short supply. System houses and software houses are almost non-existent. It is my opinion that manufacturers of small and intermediate computers must assume the burden of supplying total systems.

REPORT: GRAPHIC ARTS

Writing instruments market appraised

U.S. distributor negotiating agreements in cities visited

By L. GORDON McCOY
Lew Manufacturing Co., Coventry, R.I.

As a rapidly expanding company engaging in export distribution of diversified products, including air presses, pencil mechanisms, and writing instruments, our participation in the Multi Trade Mission was successful.

We were able to interest companies in Sao Paulo, Rio de Janeiro, and Caracas in our air presses. Two companies want to see these presses in operation in the States. Several other firms are studying our literature, and further correspondence is expected.

The market for our pencil mechanisms in both Brazil and Venezuela is practically nonexistent at present, we found. Several U.S. companies with branches there are furnishing these items.

The main thrust of our effort on this Mission was to obtain exclusive distributors for our writing instruments in Sao Paulo, Rio de Janeiro, and Caracas. We are negotiating such agreements.

Our sales on this mission have been confined to sample orders. We did not expect to take large orders, but the seeds have been planted.

Several problems are involved in trading with these two countries:

In Brazil, duties are high on luxury items such as ours. The trend toward nationalism and local manufacturing places a financial burden on the importer and ultimately, the consumer—narrowing the market. In Venezuela, the duty of 75 bolivars per kilo (2 lbs. 2 oz.) necessitates shipping only the more expensive items, properly priced so that this duty can be absorbed and prorated in the final sales price.

We found that the business climate differed in each of the two countries. In Brazil, the outlook for machinery is excellent; for writing instruments, the market can only be fully reached by establishing a local branch. In Venezuela, the entire market is virtually saturated, with the exception of the highest priced items. Here we feel that we will be successful.

We have been impressed by the number of competent businessmen eager to become representatives of U.S. firms, and also by the foresight of many Brazilian and Venezuelan companies.

Mission member sees keen competition in lucrative capital goods market

The Brazilian economy is continuing its rapid industrial expansion, observed Charles A. Bigelow, Jervis B. Webb Int'l Co., Detroit, Mich. Paced by the automotive industry, which keeps increasing its annual production, manufacturing presents a lucrative market for capital goods industries, he said, adding: "The one significant observation one makes is that the European companies have become well established viable competitors. Brazilian industry has been a happy hunting ground for the German, British and other West European firms. In Venezuela one can see many East European machine tools. U.S. capital goods concerns will have to step up their activities in Latin America if they are to maintain a valuable portion of this expanding market.

"Further, they will have to look to the Export Import Bank or other lending agencies to develop favorable credit terms to match those offered from Europe. These businessmen are sophisticated to the fine nuances of credit and are prepared to obtain the best deals possible for their plant equipment.

"Any U.S. firm would do well to thoroughly investigate all credit and low-interest loan possibilities before launching a Latin American sales effort. You don't get orders in this part of the world anymore by just appearing with your fine catalogs.

"Brazil with its 90 million people—and its rapid population growth rate—will need capital goods and know-how. A great opportunity exists but if we are to participate, we must do so at once before our European counterparts walk off with all the good orders."

MISSION REPORT: MATERIALS HANDLING

Conveyors, warehousing machinery needed for Brazilian industries

Potential appears to be six times greater than presently supplied from local manufacturers; tariffs seen prohibitive

By HENRY E. HANELT
Rapistan, Inc., Grand Rapids, Mich.

Brazil's developing consumer product industry is concentrated mainly in something of a triangle, formed by lines drawn from Rio de Janeiro to Sao Paulo to Belo Horizonte. Strongest industrially within this relatively small area is Sao Paulo and its environment.

About 30 million people are productively employed in this triangular territory. Demands for consumer products that can be packaged is high and there seems to be a slight lack in supply. Seasonal fluctuations are noticeable in certain types of products.

Integrated systems scarce

In this climate, materials handling systems and mechanized warehousing methods are essential to bring goods quickly and efficiently to the market.

Five noteworthy manufacturers of conveyors and materials handling equipment supply individual pieces of such machinery for transporting light- to medium-heavy packed unit loads. Integrated-systems work that comprises mechanical conveying, electrical and electronic controls, and software design seems to be embryonic and in use only by a few industries that have such systems designed by U.S. engineering staff.

Prohibitive tariffs

Because of the possibility that existing competition would claim integrated conveyor systems as "similars"—imports which are "similarly"-made in Brazil—one should expect prohibitive import charges. Thus, the U.S. materials-handling industry tends to seek licensed and/or investment associations with Brazilian firms. Belting and motors, essential in conveyors, are not importable.

All Brazilian materials handling companies show open-mindedness, a desire to team up with U.S. counterparts in licensing, and willingness to form new conveyor companies with U.S. capital participation and know-how licensing.

The total market potential, for unit load conveyors and warehousing equipment appears to be 6 times greater than presently supplied from local conveyor manufacturers.

In the developing North East, one may expect soon an additional market for work-easing conveyor systems.

Agreement likely

Of a total of 12 leads for prospective association supplied by the commercial staff of this mission, Rapistan has been able to narrow our evaluation to three very worthwhile candidates. One could become the licensed Rapistan manufacturing associate.

We feel that our know-how—technological as well as managerial—can contribute positively to the Brazilian industry.

Industrial expansion seen spurring market for storage systems

Because of the rapid industrial expansion in both Brazil and Venezuela, the need for heavy-duty space- and time-saving storage systems is evident, reports Roger J. J. Berny, Palmer-Shile Co., Detroit.

The possibility of acquiring from specialized firms locally made equipment offering the required results and flexibility is remote, Berny says. "I was told by officials of one of the largest companies in Brazil that they are glad to see our company 'going Latin'—not only can they not obtain locally the kind of storage racks they need in large quantities, but they have had difficulty finding a local firm prepared to build racks according to their design.

"As far as our business is concerned," he says, "the mission couldn't have been timed better. From everyone with whom I talked, I encountered interest in our products. If the firms with which I initiated negotiations for licensing arrangements are as sincere as we are about such agreements, our participation was worthwhile."

RUST PROTECTION FOR CARS AND TRUCKS, applied after manufacture, is discussed by Roger Waindle (l.), President of Ziebart Process Corp., Detroit. The Michigan State Department of Commerce was one of the groups that aided in recruitment of the Pan Am Multi Trade Mission members.

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Frankfurt Trade Center show will feature air quality control equipment, instruments

Pure Air Law requires industrial installations to meet set standards; annual expenditures in Germany for this equipment at $100 million level

Rapid industrial growth and strict enforcement of clean air regulations in the Federal Republic of Germany are expanding the market for U.S.-made air pollution control equipment and instruments.

To help American manufacturers show their products to German buyers, the U.S. Department of Commerce will sponsor an exhibition of industrial air treatment equipment and instrumentation in the U.S. Trade Center in Frankfurt, Nov. 9-13.

The German Federal Pure Air Law requires industrial installations to conform to established air quality standards, and is implemented by legislation and regulations of the various German states. Financing of air pollution control is aided by Federal tax relief measures and long-term credit at low interest rates.

Market research conducted for the Commerce Department's Bureau of International Commerce, which will stage the exhibition, discloses that annual expenditure on air pollution control equipment by German industry totals $100 million.

The study also reveals mounting interest by industry in air treatment within individual plants. A growing demand for dust free "white rooms" in such fields as electronics, precision optics, and fine mechanism is cited.

The study estimates this market at $14 million annually and points out that the German electronics industry is expanding at the rate of 30% a year. American equipment in this field is highly regarded because of U.S. experience in research and development for aerospace and electronics.

Air pollution control equipment in special demand in Germany, according to research, includes the following: continuous and intermittent filters, dust collectors in modular construction, bin vents, rotary valves, ultrafilters, wet and dry electrical precipitators, centrifugal dust collectors, mechanically rotating collectors, wet washers, turbulence scrubbers, imparticle counters and classifiers, radioactators, countercurrent flow washers, oil mist collectors, thermal incinerators, catalytic incinerators, gas extractors, wet and dry absorption systems, catalytic absorption and conversion systems, cryogenic separators, odor removal systems, complete systems for reactive neutralization and chemical treatment.

The following instruments and related equipment are in strong demand for air pollution testing: continuous and sequential air samplers, high volume samplers, particle counters and classifiers, radioactive dust monitors, small particle generators, metering pumps, gas calibration and mixing equipment, automatic chemical reagent addition analyzers, ozone monitors, electrochemical analyzers, flame ionization hydrocarbon analyzers, radioactive ionization analyzers, gas chromatographs, photometers, fluorometers, and gas and vapor alarm equipment.

The Frankfurt exhibition of industrial air treatment equipment is the most recently announced in a series of Commerce Department measures aimed at finding broader overseas markets for U.S. products in this field.

In March of this year, Commerce sponsored a show of air pollution control equipment at the U.S. Trade Center in Milan. The 26 participating companies reported floor sales of nearly $60,000 and estimated first year sales of over $4 million.

During this month, an environmental control equipment and technology trade mission led by Assistant Secretary of Commerce for Domestic and International Business Kenneth N. Davis, Jr., will visit London, Paris and Berlin to sell U.S. equipment. The U.S. Trade Center in Stockholm will host an environmental test equipment show Sept. 28-Oct 3.

Commerce is also considering exhibitions of pollution control equipment in Germany and Japan later this year and may participate in "Pro Aqua/Pro Vita," an important exhibition and pollution abatement symposium in Basel, Switzerland, in June 1971.

Manufacturers of industrial air treatment and instrumentation who are interested in the Frankfurt Trade Center Show may obtain further information from the U.S. Department of Commerce BIC-938, Washington, D.C. 20230 (202-967-2425) or any of the Commerce Department's 42 Field Offices.

South Pacific showcase opens in June

Twenty-four manufacturers from 15 states will join in dedicating America's first permanent export promotion facility in the South Pacific when the U.S. Department of Commerce opens its eighth U.S. Trade Center June 29 in Sydney, Australia.

Data communications and graphic systems will be displayed at the first show in the new center, located in the heart of Sydney's business district at 37 Pitt St.

Concurrent with the exhibition, June 29-July 3, the Trade Center will host a technical conference co-sponsored by the U.S. Association for Computing Machinery in which nearly 30 American and Australian speakers will participate.

Exhibitions at the Sydney Trade Center will, when possible, be accompanied by technical conferences, colloquiums and seminars. Plans call for shows and seminars to be scheduled on a recurrent, periodic basis, with each show concentrating on a single aspect of Australian industry's needs.

A large measure of the activities of the other seven U.S. Trade Centers in Bangkok, Frankfurt, London, Milan, Paris, Stockholm and Tokyo is directed toward the identification and promotion of marketing opportunities capable of development by the introduction of new American exporters to the markets the Centers serve. In Sydney, activities of the Trade Center will be largely devoted to the support of U.S. companies already in the Australian market.

Australia's imports totaled more than $4 billion in 1969, with U.S. goods accounting for more than $1 billion, or 25%. In 1960, Australian purchases from the United States totaled $335,000 or 16% of Australia's total 1960 imports of slightly more than $2 billion.

Peru hopes for upturn as new reforms take hold; exchange situation shows improvement

U.S. still top trade partner, but conditions hamper increased access to market; Finance Minister says downturn has passed

Having successfully carried out a financial stabilization policy that sharply cut the rate of inflation, achieved budgetary balance, and restored depleted foreign exchange reserves, but also resulted in a reduction in economic growth, the Government of Peru has announced a more expansionary fiscal and monetary policy for 1970 in order to accelerate economic activity, according to an Economic Trends report from the U.S. Embassy in Lima.

Although significant time would be required before investment could return to former levels and a prolonged pattern of substantial growth assured, the existing unused capacity in many sectors due to past and current depressed demand makes it possible to expect that such a policy may show some positive results within the present year.

U.S. sales would increase

Revival of economic activity should result in a somewhat expanded market for U.S. exports. However, since existing import restrictions are being maintained in order to enable the Government to control the balance of payments effects of its new policies, the expansion of imports will be less than would otherwise occur. Initially (i.e. during the remainder of 1970), increased U.S. export possibilities will probably be limited largely to those of inputs for existing but depressed assembly industries and postponed replacement of machinery.

Following two years in each of which the gross domestic product grew an average of only about 1.5% in real terms and, with a 3.1% population growth rate, declined by an equal amount in per capita terms, Peru hopes for significant economic recovery in 1970. Adjustment to the impact of the late 1967 devaluation, stringent financial measures to remove the inflationary causes of that devaluation, and the inevitable disruption emanating from the October 1968 change of government and from the structural reform undertaken by the new revolutionary government all contributed to the economic slowdown of the past two years.

Among the reforms is a sweeping new Agrarian Reform law that will have a profound effect on Peruvian agriculture. Several reforms announced for key areas have not yet been issued but are expected within the reasonably near future. In general the present government is expanding its influence on the private sector and in some instances is instituting controls.

Government aims at growth

In a recent address, the Peruvian Minister of Economy and Finances expressed his belief that the above mentioned negative factors were largely past and stated that government policy during 1970 would be aimed at stimulating renewed economic growth. The Annual Economic Plan sets an ambitious target for real growth in gross domestic product of 7%, which is higher than the very respectable 6% average for 1960-67. This faster growth is to be generated chiefly by an increase of 25.5% in the output of the construction sector, of 9.8% in industry, and of 4.5% in mining. The major government policy measures aimed at bringing about growth are to be a sizable increase in public investment and a 20% increase in domestic credit availability.

While the Plan may deliberately have set somewhat high targets, there is clearly room for better short-term performance whether or not there is a large-scale pick-up in the flow of public and private investment.

The financial stabilization program is widely considered to have been successful. The rise in the cost of living, which had averaged 12.8% annually during the previous five years, and had reached 19% in 1968, was slowed in 1969 to 6.2%, about the same as in the first years of the decade.

Gross foreign exchange reserves of the Central Bank, which had sunk to only $64 million in February 1968, had grown to nearly $168 million, or the equivalent of over 3 months' imports, by the end of 1969. In addition, new refinancing of the foreign public debt has reduced the potential pressure on these reserves by an amount of $52 million in 1970 and a somewhat smaller amount in 1971. There is, therefore, some room for resumption of a more normal level of imports, which in 1969 were over one-fourth less than in 1967.

Impressive gains in government revenue in 1968 and 1969 were in part the result of new taxes and of changes in tax administration that produced one-time windfall gains. Barring unexpected additional new taxes, any further increase in 1970 revenues will be limited to that resulting from growth of the economy and more efficient tax collection. Therefore, a massive increase in public investment will depend upon the availability of foreign and domestic credit.

Reflecting the rapid build-up in the mid-1960's and recent stagnation, there is considerable slack in various sectors of the economy, particularly in construction and industry. There are no firm data, but available indicators make it appear that construction activity in 1969 was little more than that of 1966, and some estimates show manufacturing industry, other than fishmeal processing, as operating at only about 50% of capacity. There is a large pool of unemployed and underemployed labor with at least some experience.

Prices to be restrained

Within the above context, the government expects to be able to stimulate renewed growth without generating undue inflationary and balance of payments pressures. The Annual Economic Plan projects holding the price increase during the year to 8%. The strategy for attainment of this goal involves not only fiscal and monetary policy, but also direct measures, such as a wage policy limiting wage increases to those in productivity and in the cost of living, and price controls, or even rollbacks, on selected consumer goods. On the balance of payments side, direct measures include the recent indefinite extension of a prohibited import list, originally adopted as a temporary measure in 1968, and maintenance

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of a 10% import tax on most permitted imports, also first introduced as a temporary measure.

Inasmuch as statements of the Minister of Economy and Finances and the outline of the Annual Economic Plan both profess an intent to maintain a balance between accelerated economic activity and relative price and balance of payments stability, actual results will depend upon the accuracy with which government plans have struck this balance, the efficacy of the measures taken to achieve it, and the highly unpredictable preference shown by individuals in choosing between consuming, saving or investing.

Since the U.S. is Peru's major supplier, any pickup in economic activity together with pent-up demand for imported goods should be translated into an expansion of the market for U.S. products. However, there are a number of factors operating to restrict both the range of the import market and the U.S. access to it.

Official Peruvian Government policy is aimed at achieving greater economic independence. This involves not only increasing the country's self-sufficiency and expanding the range of its exports, which is already wide by Latin American standards, but also geographically diversifying its foreign trade. Thus, insofar as this policy influences the direction of trade, there is a preference for new or presently insignificant markets and suppliers.

Peru is the seat of the five-country Andean Pact, which is scheduled to become operative in 1971 and which looks toward an eventual common market with Bolivia, Chile, Colombia and Ecuador. New trade opportunities are also being explored with Western and Eastern Europe and Japan. For example, over the past 18 months Peru has concluded commercial agreements with the Soviet Union, Hungary and Poland. The private sector will, however, tend to continue to favor familiar and tested traditional trading partners.

Big copper investment

An additional factor that may influence both the source and character of a substantial part of increased imports and, eventually, exports, is the exploitation of large copper deposits, which over the next five years or more could involve the investment of as much as $1 billion. Initial investment will be mainly in earth-moving and infrastructure construction much of which involves only a limited amount of imports. However, it will be necessary for the companies to bring in foreign exchange to meet local currency costs and this foreign exchange would be available for expanding general imports. The source and character of financing of later equipment purchases is likely to determine also the sources of such equipment and perhaps the eventual markets for significant amounts of the copper.

Directly affecting the type of imports that may expand are such measures as the prohibited import list, including some 500 luxury items and goods produced in Peru, and the downplaying in present government policy of import-replacement assembly industries. Former government encouragement of these assembly industries had reduced the market for a wide range of consumer goods but at the same time had generated a market for equipment to establish local plants and for semi-manufactured inputs.

Official spokesmen have now indicated that the potential for assembly type industries has been fully exploited, and perhaps overdone, and that future industrialization should be directed toward new export industries processing local raw materials and basic heavy industries.

Nevertheless, even without further government encouragement, the de facto situation created by the indefinite extension of the prohibition on certain imports could open the door to the establishment of new plants for product areas where insufficient existing capacity or poor quality invites competition. In the case of new basic industries, it should be noted that since these are to be reserved for state enterprises, the government will inevitably play a decisive role in the determination of suppliers.

Period ahead: Peru's recovery would release latent demand for a wide range of imported goods

Import market and U.S. share have dropped since 1967, but signs point to increased activity and higher imports this year

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In 1970 Peru may experience the first steps of a recovery from a recession that has beset the country since the 1967 devaluation of the Sol and the Government's setting of tight fiscal and credit policies in 1968 and 1969 to control inflation and stabilize the currency. However, this will depend on the renewal of investment activity by both the foreign investor and domestic businessman.

One indicator shows that commercial activity is already reviving. Registered installment sales in the Greater Lima area increased by 59.2% in the fourth quarter of 1969 compared to the same quarter in 1968 and, in January of this year, the trend continued with an increase of 68.3% over sales in the first month of 1969. These reports confirm impressions received informally from several local businessmen.

However, although the Greater Lima area represents 60% of total installment sales in Peru and sets the pace of commercial activity for the rest of the country, it is difficult to determine how and to what extent this increased movement in the economy will affect the market for U.S. products.

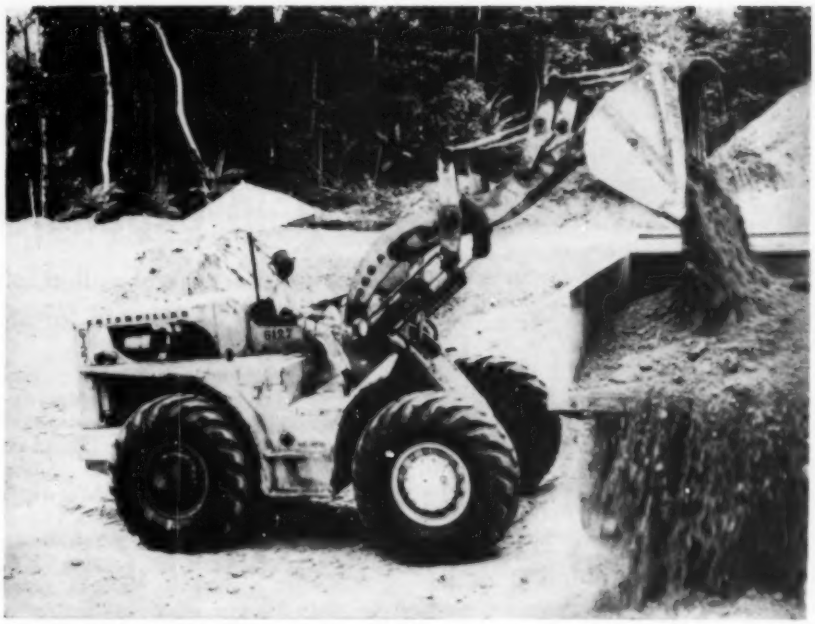
The government's fiscal and balance of payments measures have succeeded in building up a relatively large reserve of foreign exchange, and limited inflation in the 1969 cost of living to 6.2% after a 19% rise in 1968. At the same time, however, there has been a heavy cut in imports of goods necessary to the growth of the economy. While the value of Peruvian imports dropped from a high in 1967 of $818.9 million to $628.3 million in 1968 and $601.3 million in 1969, the GNP rose only about 1.3% in 1968, and less than 2% in 1969, compared to a 6% average during the first seven years of the 1960s.

Not only has the import market contracted but also the U.S. share of this market has decreased sharply during the past two years: from 36.7% in 1967 to 33.9% in 1968 and 30.9% in 1969. The reasons for the substantial reduction in the U.S. share include 1) the loss by the United States of a major portion of Peruvian grain imports at the same time imports of capital goods fell off sharply; 2) the increasing competitiveness of European and Japanese suppliers in manufactured goods, and 3) the absence of new U.S. investment which, in the past, generated a sizable inflow of products from the United States.

In the last two years, Peru has opened diplomatic and commercial relations with the Soviet Union and several Eastern European countries, which will also have some effect on the mix of Peruvian imports. The United States continues, however, as Peru's major supplier. West Germany again ranks second with 11.4% of the Peruvian import market.

Several factors form a possible springboard for increased confidence of greater commercial activity and higher imports in 1970. Peru has just refinanced a portion of its foreign public debt, reducing debt payments over the next two years. Also, in December, the Government signed a contract with the U.S.-owned Southern Peru Copper Corp., under which that company is to develop the large Cuajone copper deposit. Some $25 million is scheduled to be invested in the project by the end of September 1971 out of an investment that will eventually total $355 million.

Although the mine will not go into operation until 1976, the Peruvian Government hopes that the signing of the contract will lead to a warming of the investment climate and the inflow of other much-needed foreign capital.



REVIVAL OF ECONOMIC ACTIVITY should expand the market for U.S. goods in Peru, which has declined for the last two years. Shown, U.S. roadbuilding equipment in the rain forests of East Peru.

The Government's Economic Plan for 1970 envisages a strong recovery of the economy during this year. As presented by the Finance Minister, the Government projects large investments in agriculture, transportation, housing, fishing and mining. The Economic Plan targets increases of 4.5% in mining, 9.8% in industries and 25.5% in the depressed construction sector, with an overall gross domestic product growth of 7%.

Imports are projected to increase 16% or up to $759 million. Of this, $171 million are destined for capital goods, $319 million for semi-manufactured goods, and $68 million for consumer goods.

Electric power is to rise 2,300 kilowatts, and 365 kilometers of roads and 14 bridges are to be constructed.

For a variety of reasons, Peru is likely to fall short of these ambitious targets, but the Government's policy should result in a more productive year than the past two.

In some respects, Peru is in transition. The Government has an active policy of agrarian reform and plans to restructure other major sectors of the economy. It is in the process of establishing new regulations for the mining, petroleum, banking, fishing and automobile assembly industries and of conducting a cost/price survey of all goods manufactured in the country with the view of lowering prices to the consumer. In some areas the government will take over functions formerly performed by private interests, and in general intends to exercise more influence over the economy than formerly. With the economy in an apparent period of flux, a number of businessmen have adopted a "wait and see" attitude.

There is a latent demand for a wide range of imported goods. The recent expansion of the already extensive list of prohibited import items has raised interest in the establishment of new assembly and processing operations, which will require a variety of equipment and machinery. Also, Peru's entrance into the incipient Andean Common Market is causing local businessmen to think in terms of modern equipment and methods to either meet the increased competition from the other Andean countries or take advantage of the new markets that will be opened to Peruvian products. Another factor is the growing pressure on local businessmen to replenish inventories and replace machinery that has worn out over the past two years. Therefore, prospective trade and licensing opportunities seem to exist in a fairly broad range across the Peruvian industrial spectrum.

The food processing and handling industry and the metal fabrication industry would seem to be the most interesting to U.S. businessmen. Food retailing has been undergoing a move toward large self-service supermarkets—there are over 20 in the Lima area. This tendency, plus the prohibition on imports of canned foods, meats and juices, should create a demand for food processing and handling equipment. The Peruvian fabrication industry already has the capability which would allow it to assemble or semi-manufacture a number of items that are now imported.

As in the past, the export industries of Peru are the strongest and the most clearly-defined markets for U.S. traders. While imports have been drastically reduced, 1969 exports amounting to $865.6 million virtually equalled those in the preceding year and provided Peru with a trade surplus of $264.3 million.

World's largest fishing industry

The Peruvian fishing industry, primarily based on the export of fish meal used in poultry feed, remains the largest in the world, with 9.3 million metric tons of fish caught in 1969. Fish meal exports in 1969 amounted to $200.2 million or roughly one fourth of Peru's total foreign exchange earnings. The 1,300 ship fleet and 120 processing plants represent good present and potential clients for American equipment producers. Probably the most aggressive area in the Peruvian economy, this industry looks to more efficient methods of processing and shipping fish meal and to the renovation of its fleet. Reports by the industry clearly show that those vessels with more modern equipment and larger capacity are the most economical to operate.

In 1969 local shipyards launched at least 70 ships, many with a 320-ton capacity, and the total scheduled production in 1970 is said to be between 75 and 105. Stickwater plants for more efficient proc-

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essing and special electronic equipment for locating fish are high priority items for the industry.

A growing market may also be found in the edible fish sector of the industry. Long a weak sister to the energetic fish meal operators, the development of the edible fish industry is a major objective of the newly established Fisheries Ministry. The Ministry has already announced that it will construct twelve Danish-financed cold storage facilities in the major fishing ports, the lack of which has been one of the obstacles limiting the growth of this sector.

Mining, long the pillar of the Peruvian economy, continues in good health and as a good market for U.S. heavy equipment. Exports of Peru's major minerals in 1969 were valued at $456.2 million, of which copper alone accounted for $259.4 million. The new Cuajone mine is expected to increase Peru's copper production by 60%. A number of mining projects still being negotiated between the Peruvian Government and U.S. mining companies would heighten even further the prospects of future sales to this area. The outcome of these ventures, which could include European and Japanese investors, are conditioned by how the companies view the new Mining Code which will be issued this year.

Not all imports declined

While imports on the whole have dropped during the past two years, several items have experienced growth. These include foodstuffs (mainly wheat), organic chemicals and pharmaceutical products. Cereal imports rose to $60.3 million in 1969, $9.2 million over 1967. Organic chemical imports amounted to $30.5 million in 1969, having climbed up $8 million in two years, and pharmaceutical products similarly expanded from $9.5 million in 1967 to $12 million in 1969. The resiliency of these items during a period of drastic economic contraction indicates that American traders would do well to look into these areas for growing markets.

Stiff competition will be found in all of the areas mentioned above. The American trader should remember that credit, an important factor in Peru even during more buoyant years, is today probably the key element in many sales and public bids. The Peruvian businessman's usual recognition of the high quality of U.S. products and his orientation toward many U.S. brand names no longer counterbalance his attraction to better credit terms. Therefore, it behooves those interested in the Peruvian market to consider what terms they can offer to prospective customers.

Finnish industrialists are seeking technically-advanced equipment to help expand, diversify output

Growing shortage of skilled labor, current economic upswing spur interest of Finns in latest technological developments

During 1969 Finland's 4.7 million people achieved a gross national product approaching $9 billion and conducted foreign trade amounting to about $2 billion each way. The U.S. direct share of Finnish imports, although slightly above 1968, was only about 5%.

Reporting recently on Finnish industrialization, Edward C. Howatt, U.S. Commercial Attaché in Helsinki, noted that Finland is expanding and diversifying its industrial production in order to ease its agricultural problems, reduce its dependence on wood and wood products, find employment for displaced farm and forest workers, provide a broader base for its domestic economy, and strengthen its international trading position. Although their factories have relatively small production runs by American standards, Finnish industrialists are strongly attracted to the latest technological developments in order to improve their output, reduce unit costs, and effectively utilize skilled labor, which is becoming increasingly difficult to obtain.

These factors, coupled with the recent upswing in the Finnish economy, point to worthwhile opportunities for American suppliers of technically-advanced machinery, equipment and services.

At present there are about 50 American companies with branches, subsidiaries or affiliates in Finland and roughly 2,000 American firms are known to be doing business here through designated Finnish representatives and sales agents. Other U.S. manufacturers and exporters can profit from active participation in this changing and developing market.

Specific developments

A recent survey by the Federation of Finnish Industries concludes that Finland's greatest industrial investments in the future will be made in electricity generating plants and in the wood processing, metal and chemical industries.

As in many industrial countries, Finland's electricity requirements are increasing by about 10% annually. Estimates are that consumption of electrical energy will be almost quadrupled by 1990, rising from the present 20 billion kilowatt hours per year to approximately 75 billion kilowatt hours. As Finland's hydroelectric potential has now been almost completely exploited, it must turn to other sources of power. Both the Finnish Government and industry now favor construction of nuclear reactors to meet future power requirements.

The Finnish Government is now concluding negotiations with the Soviet Union for a nuclear reactor to be completed in 1976. It may, however, have an American protective housing and may be controlled by western computers. Estimates are that Imatran Voima Oy, the government-controlled power company, will need two more nuclear power plants during the 1970's and a total of ten by 1990. It is too early to say whether bids for these installations will be open to international competition. Imatran Voima is also planning a 400 kw transmission line to circle through the major industrial regions of southern Finland.

Companies to share electricity

In addition, a group of sixteen privately-owned companies, most of which are large consumers of electrical energy, have formed a company, Teollisuuden Voima Oy, to generate electric power essentially for their own use. It may order its first nuclear plant from the west, possibly for completion also during 1976.

Finland relies on oil and coal from the Soviet Union, Poland and other bloc countries to satisfy most of the rest of its energy requirements. The Government plans to increase substantially its oil refining capacity beyond the present capabilities of Neste Oy, the state-owned refinery. Along with other countries in western Europe, it is considering the purchase of natural gas from the Soviet Union, perhaps supplying steel pipe for at least partial payment.

The gross value of the output of Finland's chemical process industry, includ-

ing oil refining, plastics and rubber products, amounted in 1969 to more than $700 million. It is continuing to expand, particularly in petrochemicals. To assist new developments, the Government has been asked to institute protective tariffs on selected products and to implement a comprehensive research policy.

As examples of current and proposed activities which have been announced, Neste Oy is building an ethylene cracking plant. Pekema Oy, a new company owned equally by state-controlled and private enterprises, will use a portion of this output to produce some 75,000 metric tons of high-pressure polyethylene and 50,000 tons of polyvinylchloride annually. Kymin Oy is building a plant to produce phthalates for plastic softeners, is planning to make unsaturated polyester resins, and is expanding its present output of chlorine and sodium hydroxide.

Last year Typpi Oy started up a new ammonia plant; it is now building a synthetic methanol production facility; and it plans to join with Säteri Oy in the manufacture of phenol. For its part, Säteri Oy intends to construct plants to make acrylnitrile and acrylic fibers. Finnish Chemicals Oy is expanding its capacity for production of chlorine and intends to begin the output of polyvinyl chloride.

Undoubtedly there are other plans for expansion and diversification of Finland's chemical industry. A recent report by a government board lists the following new products which might be considered for manufacture: adipine acid, aromatic hydrocarbons, sodium phosphate, ethanol, ethylene oxide, ethylene glycol and various chromium chemicals.

Environmental pollution control

While pollution control problems are not yet as urgent in Finland as elsewhere in western Europe and in the United States, Finland is nevertheless becoming increasingly aware of the need for action. Accordingly, environmental pollution control equipment and systems for both water and air would seem to offer unusual sales opportunities.

In his New Year's Day address, President Kekkonen drew attention to nature conservation as "a matter of the greatest importance for our future." "Nobody," he said, "should harbor the illusion that our conditions will remain even as satisfactory as they are now without purposeful action. It must be remembered that the art of living here in the north includes preserving the environment as unspoiled as possible to keep the earth, water and air capable of supporting life and productive for future generations."

Furthermore, the Nordic Council has appointed a Committee for Nordic Research to coordinate technical research in pollution matters among the Nordic countries, and Finland along with many other European nations has designated 1970 as a special nature preservation year.

Other firms are expanding

Many other Finnish companies are expanding and diversifying. For example, Rautaruukki Oy, a government-owned iron and steel works, is enlarging its facilities to include rolling mills for thick and thin steel sheet, intended largely for domestic consumption. Valmet Oy, a large state-owned company, is considering the construction on the outskirts of Helsinki of a completely new shipyard capable of building or repairing ships of up to 100,000 tons. Oy Wärtsilä Ab and Rauma-Repola Oy are also planning expansions of their shipyards. Although presently hampered by a shortage of construction steel, the Government has extensive plans for the erection of additional housing and private firms are going ahead with apartment and office projects.

Many paper companies are seeking to increase sales by expanding their facilities (although Finland must now import wood to meet its growing requirements) and by upgrading their products through such means as producing better quality papers, coating, more extensive converting, and experimenting with nonwoven and plastic materials. A number of apparel manufacturers, many of them subsidiaries of Swedish companies, are establishing plants in the smaller towns.

Salora Oy is greatly increasing its production of radios and transistorized color television sets. They are essentially for export although Finland itself is moving into the color transmission field. Finland is committed to participation in a joint Nordic communications satellite ground station to be constructed in Sweden and it is also considering building another ground station in its own country.

A government Space Research Committee has recommended that the telecommunications industry be developed in Finland since it essentially involves electronics, an activity considered to be particularly well suited to this country. Both government and private industry groups are concerned with the need to increase many types of research and development activities through existing centers in industry, research institutes, universities, and state research bodies. They can use both equipment and training.

The Minister of Finance has recently expressed his concern that a few foreign companies might be dominating the supply of X-ray and other electronic equipment to government hospitals and has called for greater competition in order to keep costs down. Germany and Holland now supply most of the X-ray generators, tubes and other radiation equipment. The market for specialized medical and surgical equipment is estimated at $4.5 million annually. There are also opportunities for the use of X-ray equipment in industry.

FINNS ARE MODERNIZING industrial facilities in order to raise output, reduce costs and improve labor efficiency. Above, factory area of Tampere.

Finland's growing shortage of skilled workers and its need to help underemployed agricultural workers find suitable jobs have created a need for occupational training and re-training facilities. At the professional level, there is opportunity for a broad range of management consulting services in order to improve the efficiency and competitiveness of Finnish business and industry.

To ease its developing traffic problem, Helsinki is going ahead with plans for a rapid-transit subway system. The state railways will soon be buying more equipment, probably twenty-seven electric locomotives from the Soviet Union.

Finnair, the national airline, continues to be a good customer for American passenger aircraft. It is an aggressive company which is constantly seeking opportunities to open new international routes. There is also a growing need for more domestic air services and facilities, both regularly-scheduled and chartered. Companies and individuals are beginning to recognize the advantages of executive-type aircraft and helicopters for business and personal travel. Because of Finland's more than 60,000 lakes and its lengthy coastline, amphibious aircraft have obvious advantages.

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Mexico rise in 38th year

Strong ties with U.S. remain, but competition for growing market gains strength

Mexico's economy is pushing ahead at about the same rate as in 1969, which had a real growth of 6.4% according to the preliminary assessment of the Bank of Mexico. The year 1969 was the 37th of uninterrupted advance, and it closed a decade in which annual real growth averaged about 6.8%. This is tops for Latin America and among the best of any country in the world, according to the Economic Trends Report from the U.S. Embassy in Mexico City.

It is 16 years since the last Mexican currency devaluation, and the International Monetary Fund uses the peso as one of its hard currencies. The achievement of Mexico is due in great part to the success of its financial leaders in combating inflationary pressures through a variety of means, including monetary and fiscal measures and selective price controls. Recently noticed movements in prices are certain to be resisted, since the Mexican authorities are convinced, as stated publicly many times, that the stability of the peso and Mexico's excellent international credit rating must be maintained.

Mexicans will vote for a new President on July 5. The leading candidate has announced in campaign speeches throughout Mexico that he intends, if elected, to continue the basic policies which have carried the country forward. He has emphasized the desirability of continued foreign investment, but in close cooperation with Mexican capital, and of greater dispersal of industry, with special regard for more rapid and significant development of rural areas.

Trade opportunities grow

In the last few years Mexico has been trying to diversify its export markets, stressing the trade promotional activities of its commercial representatives abroad and sending large trade missions to various parts of the world. Since the converse of diversifying export markets is to diversify import sources, the efforts of U.S. exporters to hold their large share of the Mexican market must be constantly reinforced. On the basis of preliminary figures, the growth of imports from the United States in 1969 did not quite keep pace with the 6% growth for total imports into Mexico.

To meet the increasing competition from other industrialized countries, the U.S. producer/exporter must not only market his high quality, quick delivery, post-sale service but also must be competitive in the increasingly important area of attractive financing.

It should also be kept in mind that as Mexico continues its industrialization process, its import requirements become more sophisticated. A case in point was the success of the U.S. exhibit of technically-advanced machine tools in Mexico City last September (EXPO-MAQ). The target audience was the medium and small Mexican manufacturer and response was excellent.

Two Department of Commerce commercial exhibitions are scheduled for Mexico City this year. The May 11-15 Printing and Graphic Arts show will be followed Nov. 9-13 with a Business Systems exhibit and seminar. Interest in participation in both shows, indicating a new degree of emphasis on the part of American business in this burgeoning market south of the border, has been surprisingly keen.

Investment opportunities expand

The substantial increase of new direct private foreign investment in Mexico in 1969 is good evidence of the attractive investment opportunities. Probably three-fourths of such new inflow was from the United States. No breakdown is available yet as to exact amounts in which areas, but there is little doubt that various manufacturing enterprises were involved, including those in agri-business, as well as new hotels and other tourist facilities. It is also likely that the investment, in most if not all cases, was participation in a joint venture with Mexican capital.

Based on pronouncements of Mexican officials in the present Administration and on campaign statements of the man considered most likely to be the next President of Mexico, new foreign direct investment continues to be wanted, as mentioned above. But it is wanted on certain conditions, namely

- when it joins with Mexican capital
- offers new technology
- provides increased employment in rural areas, and
- contributes to Mexico's capacity to earn more foreign exchange from exports or through the attraction of greater numbers of tourists into the country.

Probably the brightest result of 1969 economic activity in Mexico was the markedly improved trade picture. After the record trade deficit of 1968, exports had their best growth since 1955, while imports rose only moderately. Especially significant, and reflective of Mexico's efforts to increase international competitiveness of its manufactures, was the fact that growth of such exports in 1969 was about double the rate for all exports.

Economy will move ahead

The economy will move ahead in 1970 under the stimulus of greater consumer spending, related to recent wage increases, and of new public and private investment. While there are no indications of any excessive public investment spending in the last year of this Administration, intensive efforts are being made to complete certain big projects, such as the Mexico City subway, before the new Administration takes office on Dec. 1. At the same time, continued success of the banking system in capturing increased domestic savings indicates the availability of funds for further private investment, and the attractiveness of Mexico continues for new direct private investment from abroad.

New direct foreign investment in 1969 totaled $139 million, an increase of $22 million over the revised figure for 1968, exclusive of reinvested earnings. Net new foreign borrowing reached $347 million.

Manufacturing and commerce, which together account for well over half of Mexican GDP, again advanced faster than total GDP but, like the latter, were slightly less dynamic than in 1968. Agriculture had the weakest showing in many years, due primarily to bad weather. Mining showed even more improvement than in 1968, while fishing slipped further. Besides petrochemicals, electric energy and construction made excellent progress.

In the face of widespread inflation abroad, including the United States from which Mexico gets about two-thirds of its imports, Mexican financial authorities continue their policy of restricting money and credit and enforcing price controls on items of basic necessity. The average increase in the money supply in 1969 was 9.9%, slightly less than the increase of the GDP in current prices.

Clearly, there are new pressures on

profits for the businessman in Mexico as he faces 1970 and beyond. On the one hand are higher costs of components and raw materials, not only of imports but of certain items, notably steel products, originating in Mexico. The price increases granted in December for most steel products exempted only those of concern to people of modest income, such as items used in construction of low cost housing. Labor costs also are higher, particularly from minimum wage increases dating from January first and from fringe benefit costs in the new Labor Law effective May 1.

Nevertheless, there is no real alarm over recent increases in the general price level. Some increases, especially for foodstuffs, are considered largely seasonal. Also, there is confidence that Mexican authorities have tools against inflation and know how to use them. For the year as a whole, predictions are for an inflation of perhaps 4.5%, the highest since 1964 for Mexico, but modest in comparison even with the United States.

Large investment role

In Mexico as in other countries there is a high correlation between the rate of investment and GDP growth. In 1969, total investment in Mexico, public and private, increased 12.5% as compared with 13.8% in 1968. Of this total, the public share is around 40%, concentrated heavily in construction. Although the Mexico City subway system is being pushed for completion by the end of November, no unusual investment splurge by the public sector is expected in the last year of this Administration.

Public investment is planned at only 10% above 1969, and basic industry will get the largest share, about 39%. A little over 13% is earmarked for agriculture, forestry and fishing, and plans are included for continuing assistance to rural areas, particularly communities of 500 to 2,500 inhabitants.

The Bank of Mexico, with a sharp eye on high interest rates abroad and possible importation of inflation into Mexico, has kept close reins on liquidity and the distribution of banking resources through its system of minimum reserve requirements. A significant share of such reserves must be put in Government securities to augment revenue for public investment. The other important source of such financing is foreign borrowing, and this will continue to be the case until Mexico can earn substantially more from exports of merchandise and tourism.

While there are no exact figures, available reports of private investment plans suggest a growth of about 15% in 1970. On this assumption, the growth of total investment for the year will be at just about the same rate as in 1969, and the growth of real GDP should also be close to that of last year. Mexican financial authorities believe such a rate can be maintained without unmanageable inflationary pressures.

Continuing the pattern of recent years, the 8.2% growth rate of Mexican manufacturing in 1969 again exceeded that for the whole economy, responding to sustained consumer demand and greater export possibilities. Among consumer durables, the highest production increase was in television sets, at 10.6%. Passenger car output went up only 5.8%, but that of trucks 21.5%. Among basic materials, due in part to greater productive capacity, the best increases were in aluminum ingot, up 45%; chemicals, 22%; cement, 11%; and artificial fibers, 23%. Generation of electricity increased almost 12%.

In the first few months of 1970 production and demand for manufactures have continued generally strong, despite widespread price increases. New automobile sales in January and February were more than 5% higher than a year before, while new truck sales were up almost 18%. The lower rate for new cars was due at least in part to operating problems in certain plants in the first few weeks of 1970. Sales have been reported especially strong in washing machines, television sets, refrigerators and stoves, with the outlook for the year of about 10% growth in sales of all household durables. The World Cup Soccer Championship to be held in Mexico in May should be an added stimulus to sales of radio and TV sets.

Basic materials, particularly steel, cement and certain chemicals, are benefiting from capacity increases of 1969. For example, steel production in the first two months of 1970 was considerably higher than a year ago, with demand particularly strong from the automotive, construction and petroleum industries. Mexico's largest steel producer is reported to have a current expansion program that within two years should add one million metric tons annually of installed ingot capacity. Mexican steel producers in general are expected to put part of their higher earnings after the price increases authorized last December into expanded capacity, to save foreign exchange now used for steel product imports.

Industrialists in Mexico, as brought out at their convention in February, are faced from now on not only with higher costs for materials and labor but with increasing limitations on financing. Since the financial authorities undoubtedly will keep a tight rein on credit as one means of holding down inflation, the industrialists gave considerable attention to the idea of raising money for their operations and expansion through more equity participation through selling shares.

Concurring on the need for greater productivity, the industrialists also acceded to the policy aim of spreading industry out "to provide jobs at the source" and thus contribute to a growing domestic market for their production. Concomitant with this idea was that of more taxation to help finance the infrastructure needed for the dispersal of industry.

Finally, having seen a significant increase in 1969 manufactures exports, Mexican industrialists can expect to be continuously pressed (for one thing by a constant review of protectionist policies on the part of the Government) to improve quality and keep prices down for greater competitiveness in international sales.

Mining prospects are good

The growth of mining in 1969 at 6.5% was the best of the decade, and prospects are good for 1970. The revival in the mining sector has been reflected in new or planned investment (both developing new mines and rehabilitating old ones) responsive to higher prices for certain metals on the world market. The value of Mexican mining production rose by 8.3% in 1969, with strong performances in silver, manganese, iron ore, mercury, copper, cadmium and fluorspar.

Due to greater domestic demand for some minerals and, in some cases, to weakness on the international market, mining exports in 1969 showed a mixed pattern. For example, mercury sales abroad were up about 128% by volume but those of sulphur declined about 18%. Because of lower prices, earnings from silver exports were down 30.4% and from sulphur 26%. If it had not been for such declines, the overall increase in the value of Mexico's principal metallic and nonmetallic exports would have increased much more than the 2.3% registered.

After the record trade deficit of $780 million registered in 1968, there was an encouraging reversal in 1969. Exports increased by 16.7%, the best expansion since 1955. Imports, which in 1968 grew by 12.1%, were held to an increase of only 6%.

Contributing to the record export level were substantial increases in Mexico's traditional agricultural exports, particularly cotton, sugar, fresh fruit, tomatoes, cattle and meats, and strawberries. Much more significant was the dramatic 37% increase in exports of manufactures. Within such exports, there was an increase of almost 116% in machinery, machine tools, elec-

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trical materials and transport equipment, which together jumped from $40 million to almost $87 million; exports of chemicals grew from $59 million to $73 million and other manufactured articles from $102 million to $130 million. Some of the increase in exports of manufactures contributed to overall increases of 38 and 37% in Mexico's exports to LAFTA and Central America.

Manufactures, including some foodstuffs but not sugar, were a little less than 25% of total exports in 1968, moving to almost 30% in 1969. While it is unlikely that such growth can be repeated in 1970, It is reported that for the first two months of this year the share of manufactures in exports was over 30%. However, total exports were up only 2%, as cotton and other agricultural exports lagged.

Imports off to fast start

Imports in 1969 were restrained largely as a reflection of reduced private demand, imports of which rose by only 5.8% as compared with a jump of over 17% in 1968. While imports by the public sector grew 6.5% after a small decline in the preceding year, they accounted for only 20% of overall imports. Substantially larger volumes of capital goods were imported by both private and public buyers in the first two months of 1970 and total imports grew by 16.7% over the same period in 1969. Thus, the trade deficit was unmistakably growing again, but trends in coming months will determine the result for the entire year. Mexican efforts to increase exports are being intensified in many ways, notably in the number and importance of trade missions abroad.

The current account position in Mexico's balance of payments was somewhat improved in 1969, due mainly to the smaller trade deficit as a result of improved exports. The record deficit on current account of $630 million in 1968 dropped to $569 million. The drop would have been more had net earnings on tourism and border transactions, instead of declining by 1.2%, continued to grow.

Border transactions were affected to some extent in both directions by Operation Intercept. Spending by Americans on the Mexican side of the border increased only 4.3%, compared with 19% in 1968. Mexican spending on the U.S. side increased only 6.6% versus 25.4% the year before.

Mexico's gross tourism earnings increased by only 7.7%, following 18.1% in the preceding Olympic year. At the same time, expenditures of Mexican tourists abroad continued to rise, by 21% in 1969 after a 19% gain in 1968.

Fiji confident as independence nears; U.S. suppliers will face built-in preferences, competition

Sugar industry, tourism are key elements in island's economy; possible adoption of new tariff could prove help to U.S. exporters

After 96 years as a British Colony, Fiji will probably become an independent nation this October. No tropical country as dependent as Fiji is on agricultural exports, principally sugar, can afford economic complacency, but Fiji's half-million people have good reason on reaching independence to expect continued growth and reasonable prosperity. This is the verdict of the Economic Trends Report from the U.S. Consulate at Suva.

Formal independence should see no radical changes in efficiency or direction of economic policy. American investment interest in Fiji is growing, but is far from dominant. Fiji shows promise as a distribution center for the South Pacific. Some financial inducements are offered overseas investors in development sectors, particularly tourism and secondary industry.

Fiji represents a small market oriented to Australia and New Zealand, but Fiji's future as a tourist center and possible departure from the Commonwealth Preferential Tariff system offer some attractions to the aggressive American exporter and investor.

Lucrative market could develop

With independence, there is a possibility that Fiji will establish a single-line tariff which would open up a lucrative South Pacific island market for exporters of foodstuffs, light machinery, and consumer items suitable for the tourist trade. The end of the Commonwealth Tariff will benefit primarily Japan, but should greatly improve American prospects in this market. If the Government stops short of a single-line tariff but responds to British complaints about the present c.i.f. method of customs valuation and switches to the f.o.b. system, many American products should still be able to compete in what has been up to now an Australian and New Zealand-dominated market.

Active trading in freehold land and increasing sophistication in the signing of leases for native reserve land are increasing the money values of overseas investment in Fiji. By usual local standards, the recent purchase of a small commercial plot in the center of Suva for $287,500 was an eye-opener to the possibilities for future land development in Fiji. Investment in tourist facilities and in secondary industrial plants benefits from government tax and customs concessions and government assistance in finding and acquiring sites.

Repatriation of profits outside the Scheduled Territories (Sterling Area) requires Ministry of Finance approval, as do local loans to persons and firms controlled by non-Commonwealth sources. These requirements have as yet presented no problems to foreign investors.

Growing tourist traffic

Tourism is expanding rapidly, with staying visitors increasing 28% in 1969 to 85,163 (22,276 from the United States). An additional 85,673 persons visited Fiji as passengers on cruise ships or on scheduled passenger ships. Fiji's chronic trade deficit is offset almost completely by receipts from tourism.

Helpful as tourism is to Fiji's balance of payments, which consistently shows a modest surplus, official estimates are that it will be seven to ten years before tourism's contribution to Gross Domestic Product equals that of the sugar industry. Gross earnings from tourism already match those of sugar but a high percentage of these earnings must pay for imports of goods for sale to tourists. Nevertheless, the growth of tourism can do much to cushion the economic impact of the sugar industry's problems.

The sugar industry faces both internal and external difficulties. At home, the single milling company's delay in accepting an arbitration award intended to regulate relations between the growers and millers for the period 1970-80 is causing uncertainty about the future of the industry.

Abroad, the possibility of Britain's entry into the European Common Market could end Fiji's valuable Commonwealth sugar quota of 140,000 long tons at a premium price. Fiji can only hope Britain will be successful in negotiating some special ar-

rangement for its smaller Commonwealth associates. Elsewhere, the U.S. sugar quota of over 38,000 long tons, valued at $5.4 million in 1969, and the stability in world markets following the conclusion of the International Sugar Agreement contribute much to the continued prosperity of the industry.

Other agricultural exports include coconut oil and bananas. Both have done well this year, but the future of coconut oil also depends on the effect of Britain's entry into the Common Market. Greater efforts will be needed to upgrade the quality of Fiji bananas if the increasingly discriminating New Zealand market is to be retained.

The importance of Fiji's agricultural products, including raw sugar, is illustrated by the fact that they account for more than one-half the total labor force, close to 70% of total exports, and about one-third of the gross domestic product (GDP).

Recent Japanese experience in fishing the South Pacific indicates that fish in sufficient quantities to support a major export industry may not be present in Fiji's waters, though Government moves to establish small local fishing cooperatives to supply the local market are beginning to show results.

Long-term hopes for a major timber industry in Fiji by the end of this century will have to be deferred at the present rate of tree planting by the local Forestry Department, but this remains a possible important resource which could serve two useful ends by making economic use of large areas of Fiji's hilly interior lands and producing eventual income for many of the Fijian kinship units which own 83% of Fiji's total land area under the country's unusual native land reserve system.

Offsetting these disturbing long-term considerations and contributing to the optimism with which the country faces independence is a continuing high level of activity amounting to an economic boom by Fiji standards. Real growth is expected to continue at about the level of a 6% to 7½% annual rise in GDP.

The three main supports for the Colony's modest boom—tourism, new construction, and government expenditures—are holding up well and are expected to increase at a steady rate. Some $16.7 million in private construction is on the drawing boards for 1970-72, including at least five new tourist hotels. Government construction plans call for $27.6 million in the period 1970-75. In addition, major civil construction projects in the next few years include expansion of the Nadi International Airport and the construction of the Suva-Nadi road. This road along the main island's southern Coral Coast will undoubtedly spark even more tourism.

U.S. interest rising

American Airlines hopes to join Pan American on the South Pacific route this year. Both airlines are considering major hotels in Fiji. The First National City Bank is opening a branch in Suva, the first American bank to enter Fiji. Considerable activity by American real estate purchasers is evident. Local expectations of a flood of American and Canadian investment in Fiji after independence are probably unjustified but it is clear that Fiji and the South Pacific are beginning to interest Hawaiian and west coast investors.

The increase in construction activity intensifies the shortage of skilled workers and middle level managerial personnel, a limiting factor which government and the larger business concerns must overcome by stepping up technical and trade skill training programs.

Skilled labor in demand

Unemployment and underemployment of unskilled labor is a growing problem, but a vigorous localization program in government and business combined with the establishment of new firms and projects are straining Fiji's limited skilled manpower resources to their limit.

Limited capacity in the construction industry is already causing delays in projects under way. Major projects for some years to come will continue to require overseas construction contractors.

A substantial number of young overseas-trained school and university graduates have emigrated from Fiji to Canada, Australia and the United States, and are unlikely to be tempted back to Fiji at prevailing wage standards. A general rise in government salaries and wages in 1970 should be followed by higher wages in private industry and business. At present local wage scales are too low to provide much discretionary purchasing power within the economy.

Fiji's trade union movement is relatively well-organized and responsible for a developing country. Irresponsible fringe elements in the trade unions have been eased out in recent years by vigorous government regulation of union financial reporting requirements. There are some thirty registered unions in Fiji now, and about two-thirds of the 35,000 persons in wage-earning employment are covered by industrial agreements. About 7,500 of the remainder are covered by official wage councils.

Secondary manufacturing is becoming established as a small but important element of Fiji's economy. A new knitwear plant in the western town of Ba and a proposed modern bakery in Suva are samples of what could become important sources of jobs. These plants will also be foreign-owned, the first by New Zealanders and the second by Australians.

Recent increases in the value of re-exports, running at about $11.5 million annually, are an encouraging trend which should result in the firm establishment of

TOURISM IS A BOOMING INDUSTRY, promoted by the Fiji Government, which currently adds over $12 million to the national income each year. View shows a tourist ship in Suva's mountain-flanked harbor.

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the Fiji Islands as a distribution center for the other island territories in the South Pacific.

Japanese aluminum interests are establishing bauxite mining on the second largest island of the Fiji group, Vanua Levu, despite discouraging Japanese experience with copper there in the last two years. Bauxite deposits are estimated at six million tons. Shipments to Japan of 250,000 tons per year will begin in 1972.

Mineral exploration offshore and by aerial survey techniques are continuing in Fiji, but no significant finds have been reported. A fall in world gold prices has limited Fiji's one gold mine's production this year. Overall, mining is unlikely to ever become a major industry in Fiji, but prospects for minor exploitation will not be overlooked if they provide employment.

Government expenditure is budgeted for over $54 million this year. Slight tax rises to produce the revenue required included a rise from 5% to 15% in the tax on dividends and branch profits sent overseas by foreign companies in Fiji. Government economic actions expected this year or soon after independence include the establishment of a central bank and perhaps a rural credit bank.

British assistance to Fiji in the form of Colonial Development and Welfare grants account for about 25% of the Government of Fiji's development budget. It is virtually certain that this level of assistance will continue after independence, but it will probably be in the form of loans rather than outright grants. At present rates of growth (6-7½% in GDP) Fiji could afford to service a debt burden of this magnitude.

Experience over the last two or three years with virtual internal self-government has greatly increased the elected government's confidence in its ability to deal with economic and political complexities. The civil service Minister of Finance has just been replaced by an elected member of the Legislative Council, leaving only two appointed cabinet-rank members of the government.

The Central Planning Office is a capable organization, receiving considerable expert assistance from the United Nations and the British Government. It expects to produce its second five-year development plan sometime this year. A good start has been made on a UN-assisted rice irrigation project, and close relations have been established with international assistance agencies including the UN and the World Bank. Fiji became a member of the Asian Development Bank on Apr. 2.

The governing Alliance Party and the opposition National Federation Party (representing mainly Indians from the 256,000-strong community which is now a racial majority in Fiji) are enjoying a period of unprecedented harmony and goodwill which should last at least through the achievement of independence.

Barring the complete collapse of Fiji's current political harmony after independence, which is unlikely, an independent Fiji will present few radical economic departures. The benefits to Fiji of the constant economic growth of the past five years are evident to all sections of the community even though the equitable distribution of these benefits will replace the attainment of independence as Fiji's principal political concern.

Overseas investors can expect a gradual improvement of the Government's machinery for dealing with inquiries and assisting in the establishment of development-oriented industries, though at present coordination between government departments in this area remains poor despite the formation of an office in the Ministry of Commerce to serve as a central point of contact for overseas investors and traders.

For further data

For publications and assistance in specific fields, or for the booklet *Investment in Fiji*, U.S. businessmen should write to:

Sec'y for Commerce and Industry
Ministry of Commerce, Industry and Cooperatives
St. Stephen's Building
Suva, Fiji Islands

Assistance can also be provided by any Department of Commerce Field Office or the Far East Division, BIC/892, Department of Commerce, Washington, D.C. 20230.

Leased computer use on rise in Greece; Government seeks to start a computer center

Leased computers are being used by about 65 Greek Government and quasi-government services, organizations, and leading private enterprises. It is estimated that the value of installed electronic computers including small systems and conventional equipment in 1969 was approximately $18 million, of which 80% is controlled by American interests. There are five service bureaus in Athens which are used by the smaller enterprises.

Personnel to effectively operate the computers is lacking. The Greek Productivity Center has established a program designed to create professional programmers.

The Greek Government is considering the establishment of a computer data processing center and is seeking a consulting firm with specialized experience in feasibility surveys for computer centers.

The Greek Government has established a computer center for social services which will service social insurance agencies, hospitals, and other institutions that fall within the jurisdiction of the Ministry of Social Services.

There are several important considerations that will boost the use of electronic computers in Greece: rapid industrialization; inflow of foreign investment capital; and the expansion and/or merger of existing industrial enterprises.

Eximbank loan helps sale of U.S. goods and services to Bougainville copper mine

The Eximbank has authorized a $23.4 million credit to Bougainville Copper Pty., and a financial guarantee of $20.4 million to help finance the purchase of U.S. equipment and services for the construction and initial operation of a copper ore mining and concentrating project at Bougainville Island. The island is part of the Territory of Papua and New Guinea, which is a United Nations Trust Territory of Australia.

The borrower will make a cash payment of 10% of the contract cost of U.S. purchases, estimated at $52 million. A joint venture of Bechtel Corp. and Western Knapp Engineering, construction managers of the project, will extend financing of $3 million and a group of U.S. commercial banks led by Bank of America NT&SA will extend financing of more than $12 million. Equipment loans totaling $8.35 million will be extended by Wells Fargo (N.A.), First Wisconsin National Bank of Milwaukee, and others.

Incorporated in 1967, Bougainville Copper's parent companies are Conzinc Riotinto of Australia and New Broken Hill Consolidated. The administration of the Territory of Papua and New Guinea has subscribed for 20% of the equity capital of the company. The project, an open pit copper-gold mine, includes processing and transport equipment and ancillary facilities, an access road, port, power plant, and towns at the mine and port. Estimated cost of the project is over $400 million. Copper ore will be mined and processed on Bougainville Island and the concentrates shipped to smelters in Japan, Germany and Spain.

Some slackening is apparent in Saudi Arabian economic activity despite higher revenues from oil

Economy is feeling effect of subsidies to UAR and Jordan, rising expenditures for defense, and reduced investment funds

After a long period of substantial growth, the Saudi economy is beginning to experience a period of slackened economic activity, according to the semi-annual Economic Trends Report from the U.S. Embassy in Jidda. In spite of higher revenues from oil production, still the prime determinant for the economy's growth, development spending has leveled off. The Government no longer has budgetary reserves accumulated from past surpluses to draw upon. Yet demands for government outlays continue to grow to meet the Kingdom's large external commitments and expanding requirements for defense and internal security. These demands are accounting for over half of all government expenditures. At the same time, credit availability has become a problem for the private sector. The rate of increase in money supply has slowed as has the growth in savings. Commercial banks are facing liquidity problems. As a result, the level of gross investment (public and private), which has gone as high as 24% of GNP, is on a downward trend.

With some slackened economic activity in certain sectors and continued tight credit conditions, a slowdown in the growth of imports may occur during 1970. While this will make market penetration even more difficult, it in no way reduces the importance of this $900 million plus import market.

The United States continues to be Saudi Arabia's principal supplier but its share is declining. Exports in 1969 of $154.3 million were $32.9 million below the previous year. A portion of this drop was due to last year's dock strike and smaller deliveries of U.S. military equipment. Actually, substantial military sales to Saudi Arabia in 1967 and 1968 have masked the serious erosion of the U.S. market since the mid-sixties. In the food sector, higher U.S. prices have allowed competitors to enter and gradually increase their share of the market. Even U.S. milled rice, the main American food commodity in the market, is now facing stiff competition.

In the single most important export category to Saudi Arabia, machines and transport equipment, the U.S. market share has fallen from 54.6% to 35.1% in the 1965-68 period and a further decrease is anticipated in 1969. In this category, at least, it appears quite clear that the U.S. position has been hurt not only by higher prices but by the attention which our competitors, especially the Japanese, give to their local distributors. These include financing, providing staff for after-sales service, and incentives for increased sales.

Sales opportunities attractive

In spite of the reduced availability of funds for new investment this year, Saudi demands for a variety of imported commodities and services continue to be significant. The Government can be expected to maintain its policy of avoiding import or exchange restrictions to enable importers to buy from the most competitive sources and to assure continued price stability.

A chronic problem of the Saudi economy remains the scarcity of local skilled labor. In addition, as the economy has become more sophisticated and demands by the public and private sector for services has widened, the need for highly skilled technicians to maintain equipment and existing facilities has grown. This means that companies capable of providing operation, maintenance, and training facilities find Saudi Arabia to be of considerable interest. Already, two American companies have multi-million dollar contracts for servicing the Saudi defense establishment. Major new service contracts for the military and the National Guard probably will be awarded in the coming months. Moreover, opportunities for services in development projects are much wider in scope than is suggested in the current term "turn key." Companies which can offer to provide services and training for a number of years after "completion" of a project have a competitive advantage. Companies engaged in these activities, however, should carefully brief themselves on Saudi labor and visa requirements as both Saudi and foreign contractors have recently experienced difficulties in obtaining visas for their foreign employees.

American investment in the petroleum sector remains a fundamental force in the Saudi economy. Profits from these investments continue to have a favorable impact on the U.S. balance of payments and cannot be minimized. This should not obscure investment opportunities in other areas, however. Saudi Arabia remains a free enterprise country with a liberal foreign investment and mining code. Both the public and private sector look to foreign investors not only as a source of capital but of technical expertise needed to build and manage projects which will help diversify the economy. Joint ven-

Sales and service opportunities

There are many projects in the public and private sector which may be started in the coming months. Contracts for the construction of new airports at Jidda and Riyadh should be awarded later this year and equipment purchases alone should range from $40 to $60 million.

Plans are moving ahead for a $24 million plant at Abqaiq to produce 550 tons a day of sulfur from natural gas, a $55 million project to expand the Jidda refinery and to build a refinery in Riyadh, an $18 million expansion of the Dhahran Petroleum College, a $22 million project to build flour milling facilities and grain silos in Jidda and Dammam, a $35 million expansion of the Dammam port for eight new berthing facilities, and a $50-$70 million national telecommunications network (including earth stations) following an evaluation study now being carried out by an ITU team.

There are also many smaller projects either planned or getting under way, such as new highway links, the Jidda lube blending plant, improving secondary airports, maintaining telecommunication and telephone systems, and municipal programs for water distribution, sewage, and street paving. Many of these offer good opportunities for technologically advanced products and services where the United States can compete.

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ECONOMIC DIVERSIFICATION will bring increasing emphasis on self-sufficiency in agriculture. Here, a date farmer brings down his harvest.

tures are preferred. But American firms prepared to enter a venture without equity participation, as has recently occurred for the management of a new hotel in Jidda, may also find a strong response in the business community.

Thus, despite some negative factors, the import dependence of the economy, the convertibility of the Saudi riyal, the unhindered entry of most commodities, and the large foreign exchange earnings of economy make Saudi Arabia much more interesting commercially than other countries with a comparable GNP. Saudi businessmen and officials still remain oriented toward American products and services, which gives U.S. firms an advantage if they are prepared to give the attention which the Saudi market deserves.

The shift in the pattern of government expenditures is affecting certain sectors of the economy and geographic regions in different ways. Imports of consumer goods and capital equipment are continuing to increase at roughly the same rate as overall economic growth (about 9%) but defense related imports are growing much faster. Military expenditures for projects in outlying areas, such as the $50-60 million cantonments at Khamis Mushayt in the southwest and Tabuk in the north are creating new economic activity in areas previously untouched.

But where government spending in the contracting and construction sector has been stretched out and there are proportionally fewer ongoing development projects, there has been some softening. This is the case in the Western Region (Jidda, Mecca, Taif) where merchants are complaining about current business conditions. Although there is no statistical data to support their complaints, the boom in construction in this region is tapering off and real estate values have fallen. In contrast, merchants in other major commercial centers are more optimistic. In the Eastern Province, where sales are reported to be up 10%, the outlook is encouraging in view of many ongoing development projects. In Riyadh, commerce continues to expand in the glow of increased governmental activity in the capital city.

Oil production outlook improves

Unlike other Middle East producers, Saudi oil production failed to show any growth during the first eight months of 1969, remaining at a disappointing 3.04 million barrels per day level. ARAMCO's production dropped slightly during this period to 2.82 million bpd with Japanese Arabian Oil Company and Getty showing only a small increase. This situation has changed since September 1969, however, with a rise in ARAMCO's offtake due in part to the resumption of Tapline operations. During the last four months of 1969, ARAMCO's production alone averaged 3.33 million bpd thereby increasing the Kingdom's oil production for the year by 5.4% (compared to a 9.2% increase in 1968). This rising trend has continued with ARAMCO's production averaging 3.44 million bpd in the first three months of 1970.

The past year has seen an intensification of pressures on the balance of payments. Saudi Arabia has maintained its annual $140 million subsidy to the UAR and Jordan under the 1967 Khartoum pledge and financed another $12 million in arms purchases for Jordan. These alone amounted to 11% of the Kingdom's net foreign exchange earnings last year. Imports grew sharply (up an estimated 15%) caused in part by substantial deliveries of defense-related items. Demands for services of skilled foreign technicians also expanded. Finally, earnings from oil fell below expectations, especially during the four month period when Tapline was closed because of fedayeen action. As a result, gross foreign assets held by the Saudi Monetary Agency declined some $120 million during 1969.

In the short run, this drop is not too worrisome. Even after deducting $370 million in gold and foreign exchange earmarked for 100% backing of Saudi currency in circulation, there still remains a margin of $350 million which is equal to five months of the present level of imports. But the outlook is for continued pressure on the balance of payments, at least during 1970.

While oil income should be higher and demands for consumer imports should level off because of the general shortage of liquidity, external commitments will remain and government expenditures probably will exceed available revenues. To avoid weakening the Kingdom's strong foreign exchange position, needed as a cushion against unforeseen fluctuations in oil earnings, efforts by the Government to diversify sources of budgetary revenue (now mainly derived from oil) and to approach foreign credit institutions for financing major projects may be required.

The rate of growth of money supply has slowed perceptibly. At the end of 1969, money supply was only 2.7% above 1968, and actually decreased 2.7% during the last six months of 1969. While deposits grew 5% in the early months of 1969, they too have leveled off. Bankers have been complaining of liquidity problems and foreign banks operating in Saudi Arabia recently have resorted to external borrowing to cover loan demands of their best customers.

This tight liquidity is reflected in loans and advances by commercial banks which grew 15.5% in 1968 but only 4.2% in 1969. A number of factors are attributed to this situation—inventory growth in areas where consumer demands have slackened, the preference of businessmen to invest their surplus capital in real estate and buildings, and the rise in interest rates paid abroad for deposits. The latter has attracted some Saudi capital to move to the Eurodollar market.

Oil outlook is good

While the growth in demand for Saudi oil remains affected by the world's present requirements for low sulfur crudes, the availability of new sources of crude closer to major consumption centers, and the continued closure of the Suez Canal, the outlook is nonetheless encouraging. Oil production should rise about 10% in 1970. Even though this is still below Saudi expectations, it reflects better performance than had previously been anticipated and will help Saudi Arabia maintain its position as a leading Middle East and world supplier. Saudi Arabia continues to possess, by a substantial margin, the largest proven reserves of any country, which are conservatively estimated at 92 billion barrels.

Interest rates in the local market for borrowers are rising. However, it is difficult to construct a meaningful overall picture of interest rates. Currently, at one bank, new customers must pay from 10% to 12% depending upon the risk and size of loan, but old bank customers, who generate other bank business, have been able to resist rate increases and pay only 6.5-7%. At one major bank, the average rate during 1969 was 6.7%, but the average rate for the same bank jumped to 8.58% for the first quarter of 1970.

For the Saudi economy at the present time, the problem of credit availability is more important than the rates paid. As the majority of bank credit to the private sector is for financing imports, the disparity between the modest 4.2% growth in bank advances and the estimated 15% increase in imports in 1969 is significant. Many importers are now finding themselves unable to expand their volume of business unless foreign suppliers offer them credit, a trend which will probably be more pronounced during 1970

Although higher-than-expected earnings from the oil sector should permit the Kingdom to come close to balancing its current $1.33 billion budget, the $150-155 million a year assistance to the UAR and Jordan has remained as an extra budgetary item. Through the last fiscal year (ending in September 1969), these payments were financed from available budgetary surpluses and drawings on reserve funds generated by surpluses in earlier years.

These reserve funds are presently exhausted and the Government must draw on current receipts to meet these heavy commitments which amount to about 12% of total government revenues. Unlike other government outlays, these funds are not spent within Saudi Arabia and do not contribute to the economy's growth. In an effort to overcome the problem this year, the fiscal authorities are endeavoring to achieve savings wherever possible, especially for development projects, even though this is difficult to do for ongoing programs. Despite these efforts, there probably will be a budget deficit this year, which could have an inflationary impact.

Meanwhile, pressures on fiscal authorities are mounting to resort to long-term external financing for development and defense projects in order to avoid a further drawdown in reserves and to assure a continued high rate of growth. The Kingdom has sought to avoid, as much as possible, making use of external credit financing ever since it initiated a stabilization program over a decade ago when foreign debts were rapidly paid off. This policy, however, probably will not continue for much longer.

ESSENTIAL TO THE ECONOMIC GROWTH which Saudis hope to achieve through the nation's first Economic Development Plan which begins in September, roads are receiving top planning priority.

In November 1969, the Saudi Government promulgated a new labor law and social insurance regulations. The labor law increases several types of benefits affecting paid vacations, sick leave, and overtime as well as requiring large employers to train Saudis for technical jobs. It also provides new rules governing severance pay, disability compensation, safety requirements, disciplinary procedures, dismissals, and the maintenance of records. Social insurance legislation requires payment by the employer of 2% of gross wages for disability benefits and 8% for old age and survivors' insurance. The employee contributes 5% of his wages toward retirement.

While this legislation will have a positive, long-term social impact, it comes at a time when inflationary pressures on the economy are growing. Employers are finding that their labor costs are rising and workers are pressing for higher wages to offset their 5% contribution to the social security system. Yet there is no indication at present that productivity, never very high, will commensurately increase with these higher benefits for workers.

Economic planning moving forward

In order to diversify the economy, accelerate economic growth and establish investment priorities, the tempo of governmental planning activity is increasing markedly. The major objectives of The Economic Guidelines prepared by the Central Planning Organization, were approved by the Council of Ministers in September 1969. Since then, the CPO has been heavily engaged in the preparation of Saudi Arabia's first Five-Year Plan, which is scheduled to be ready when the next fiscal year begins in September 1970.

All government agencies have been required to submit a report to the CPO on projects they have under way, expect to complete, and hope to initiate in the next five years. These reports are being reviewed by the CPO with each agency to establish priorities, refine cost estimates and manpower requirements, identify projects with the best economic potential, and establish targets when projects should begin and be completed.

The Stanford Research Institute, under contract with the CPO, is assisting in this major planning effort. If the Five-Year Plan becomes a public document and, as seems likely, it is reviewed annually, it should become an invaluable reference document on the economy and identify priority projects.

Planning for the private sector, which accounts for nearly half of all investment, is also making progress. The Industrial Studies and Development Center in Riyadh, a branch of the Ministry of Commerce, has also contracted with Stanford Research to carry out feasibility studies for the use of private investors. The Center is establishing "industrial estates" in Jidda, Riyadh and Dammam to provide basic facilities needed by light industries at a nominal rent.

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India's new licensing policy extends export incentives and stresses import substitution

Importation of 159 additional items banned, total is now 475; raw materials, components, spare parts still given preference

New incentives for exporting industries and provisions to assure that priority requirements for raw materials and components are met highlight India's recently announced import licensing policy for the fiscal year Apr. 1, 1970-Mar. 31, 1971.

The new measures also extend India's import substitution policy of banning or restricting imports of items as they become available from domestic production. Extension of state trading to a number of new items is expected to produce additional import savings and speed up supplies of industrial materials.

The importation of 159 additional items has been banned, bringing to 475 the number of items added to the prohibited imports list in the last two annual licensing policies. The newly-banned goods include certain ball bearings, taper roller bearings, small tools, machine tools, electrical instruments, textile machinery accessories, drugs and medicines, chemicals, garage tools, cinema machinery, electromedical apparatus, and pressure gauges.

Another 56 items formerly licensed freely to Actual Users—including certain ball bearings, drugs and medicines, dyes intermediates, and motor vehicle parts—are now licenseable only on a restricted basis where one of the following conditions exist: indigenous production needs to be supplemented; indigenous products are unavailable; or indigenous products do not suit the particular end-use contemplated for the imported product.

Need-based policy

In addition, Established Importer quotas have been reduced on 29 items, including various types of spare parts, drugs and medicines, garage tools, and non-electrical instruments (See INTERNATIONAL COMMERCE of May 12, 1969, p. 30 for a comparison with the previous policy).

The new licensing policy continues to give preference to raw materials, components, and spare parts requirements of units in the 59 priority industries, which account for about 75% of India's industrial output. Units in these industries will be licensed on the basis of their actual production requirements, but with safeguards provided against speculative inventory accumulation. The policy also continues the procedures for licensing the requirements of non-priority industries upon proof of use of previous licenses.

As an incentive to the development of small-scale industry, the upper limit for initial import licenses for raw materials and components for new small-scale units is raised from Rs. 50,000 ($6,650) to Rs. 75,000 ($9,975). Existing units with smaller entitlements may claim licenses as new units in order to get the higher amount.

In a further move to facilitate the flow of production materials, the State Trading Corp. (STC) and the Minerals and Metals Trading Corp. (MMTC) are now empowered to organize bulk imports of selected raw materials (to be announced) for off-the-shelf sale to Actual Users and Registered Exporters against surrender of their valid licenses. A proposed Industrial Raw Materials Assistance Center will implement this program.

State's role extended

The state trading role is further extended by reserving an additional 38 items for import only through the STC or MMTC, bringing the total of such items to 60. These are mostly chemicals and pharmaceutical products, but also include platinum and palladium; stainless steel for certain specified industries; black plain sheets in coils or cut lengths, hot or cold rolled, for the manufacture of drums, barrels, and steel furniture; tinplate for the manufacture of open-top sanitary cans; soybean oil; palm oil; powdered milk; nylon yarn and thread; x-ray films; mercury; and synthetic non-cellulose fibers.

Under the two previous annual licensing policies, industries exporting over 10% of their production received special consideration in the granting of foreign exchange which allowed them the privilege of securing a portion of their import requirements from sources of their choice.

This measure is continued in the current policy, but the incentive is increased for industries which export 25% or more of their production. Large-scale industries meeting this criterion will be allowed to import up to one-third of their requirements from sources of their choice, while small-scale industries showing such export performance will be allowed this choice for their full import requirements. Special consideration also will be given to applications for capital goods imports and to approvals of foreign investments to provide for new capacity or extension of existing capacity for export production. These are the incentives in India's policy for expanding exports.

Can lose privileges

On the other hand, 13 industries which are considered to have special export potential (three more than in the previous policy) are required to export at least 5% of their production or face a cut in their import entitlements and losing the privilege of choosing sources of supply. The 13 industries are: bicycles, components, and accessories; stationary type diesel engines; small tools, power tools, and other workshop tools; coated and bonded abrasives; dry and storage batteries; wire ropes; winding wires; automobile ancillaries; pipes and tubes; transmission towers; weighing machines; drugs and pharmaceuticals; and paints, varnishes, and enamels.

Certain specified raw materials for export production will continue to be imported under Open General License. These are: wattle bark and wattle extract; other bark for tanning; quebracho and chestnut extract; pickled hides, skins, pelts, splits, and parts thereof; and raw or salted hides and skins.

The scheme for providing exporters with replenishment licenses for raw materials and components against their actual exports under the Import Policy for Registered Exporters is continued in

the current policy. An innovation, however, is the provision for issuing 'on account' licenses in advance of the actual exports to registered manufacturer-exporters who showed more than Rs. 1 million ($133,000) in non-traditional exports in 1969-70.

In addition, both manufacturer-exporters and merchant-exporters who do not meet the Rs. 1 million requirement but who regularly export may apply for advance replenishment licenses (imprest licenses) to meet the requirements of phased export programs. Applications for imprest licenses will be considered on merit. The value of these on-account and imprest licenses will be adjusted against the exporter's regular replenishment licenses coming due against his actual exports.

The Government of India has also announced that it would give special consideration to foreign collaboration in primarily export-oriented units.

These new policy measures should be read with Overseas Business Report 69-35, *Foreign Trade Regulations of India.* Questions on the licensing policy for individual items may be addressed to the Near East-South Asia Division, BIC-896, U.S. Department of Commerce, Washington, D.C. 20230.

Economic boom in EEC spurs energy demand

GNP increase of 7.4% last year stimulated 7.6% rise in energy use

The general growth of economic activity and the exceptionally high activity of the steel industry in the European Common Market during 1969 were determining factors in the European Community's 7.6% growth in energy use, according to a summary of a report on "The Energy Situation in the Community."

The full report, one in a series of annual surveys of the energy market prepared by the Commission of the European Communities, will be published toward the middle of 1970. The summary, recently released in Brussels, provides an outline of the report's main features: economic factors influencing the energy situation, energy requirements and supply, and forecasts for 1970.

The growth of economic activity in the Community, one factor determining the trend of energy demand, accelerated considerably in 1969. The Community's gross national product (GNP) rose by an estimated 7.4% in 1969 (compared to a 5.8% growth rate in 1968) as industrial production went up by 12.5% (against 8.7% in 1968).

The Community's steel industry, a major energy consumer, showed exceptional activity. Ingot steel output rose by 9%, passing the 100 million mark.

The Commission's view, however, is that in 1970 the growth of economic activity can be expected to gradually slow. Output will be hampered by insufficient productive capacity and a shortage of labor. By the end of 1970, expansion may slacken in a number of sectors as a result of the cooling of the world economy. For the Community as a whole, GNP is expected to grow by 4.6% and industrial production to increase by 8%.

Energy consumption in 1969 grew by 7.6%, exceeding the average for recent years. Internal consumption rose to an estimated 722 million tons hard coal equivalent (hce) and total needs to 907 million tons hce (including quantities for bunkers, exports, and non-energy use, as well as for internal use). These total requirements were met 62% by oil, 23% by hard coal, and 6% by natural gas, the remainder by primary electricity and lignite. Electricity demand had a higher growth rate than did energy consumption as a whole.

Coal demand remained at the same level as 1968, despite this fuel's general tendency to regression. Internal demand for coke, as a result of the steel industry's expanding activity, exceeded the 1968 level by 1.7 million tons. At the same time, the consumption of hard coal by thermal power plants increased by 1.8 million tons.

The worldwide strains on coking coal supplies were especially notable in the Community due to the use of some coking coal as fuel, mainly in electric power plants. In Germany, amendments to the laws favoring hard coal consumption in such power plants and enlargement of import quotas for coals from non-member countries will tend to remedy this situation.

Coalfield prices rose sharply as a result of higher production costs. Short supplies in the face of strong demand also helped raise coke and coking coal prices.

The supply of oil was abundant and was able to meet the still high growth of demand. Among the requirements has been the mounting use for non-energy purposes, which grew by 14.2%. Prices in 1969 for petroleum products gradually dropped back to their pre-Suez level.

Natural gas is growing more important and already covers nearly 25% of internal consumption in the Netherlands. Dutch production increased by half in 1969. Although nuclear energy's share in meeting requirements is still modest, nuclear power plant capacity is expanding. Thus, in Germany, nuclear power plants represent the major proportion of orders for plants to come into service in 1974-75.

Outlook for 1970

The economic outlook for 1970 is promising, the Commission found, although expansion must be expected to slow down somewhat. Energy consumption should continue to grow at a high rate (6%) but less than in 1969 and should reach 766 million tons hce. Total requirements will amount to 953 million tons hce (up 5.1%). Certain difficulties of adjustment to the economic situation must be expected, however, particularly in coking coal and coke. The technical and economic characteristics of the Community's coal industry are such that it cannot respond to a rapid rise in demand.

Stocks of hard coal and coke are at a low level, and the strains of 1969 are likely to continue in 1970 unless supply and marketing conditions can be improved, particularly if coals now used for fuel in electric power plants cannot be sent for coking. A fall in demand which might develop in 1970 would mean a return to more normal supply conditions. The present tension in coking coal has repercussions, too, on supplies to the household sector, especially in Germany where some coke is used for heating. The use of other solid fuels, such as coal and lignite agglomerates—production of which adjusts readily to temporary increases in demand—should help meet these requirements in the future.

The problem of the supply of coking coal influences the supply of conventional power plant fuels, which is sensitive to price differences between energy sources. Another factor is that recently there have been exports of heavy fuel oil with a low sulfur content to North America to meet the increased demand due to American requirements for fuels that will pollute the atmosphere less. Continuation of this trend could put an additional burden on the power plant fuel market in the Community. Imports from non-member countries are also a factor influencing the energy balance sheet. Imports supply a growing portion of the Community needs.

XUM

Five European manufacturers will grant licenses to U.S. firms

German and Swiss concerns offer refractory linings, storage containers, injection molding machines, fasteners, dessert mixes

Firms in Germany and Switzerland are offering a variety of products to U.S. licensees. These include: refractory linings, storage containers, injection molding machines, fasteners, and ice cream and dessert mixes.

For additional information and the name and address of the firm, write the Office of International Investment, BIC-874, U.S. Department of Commerce, Washington, D.C. 20230, referring to the appropriate File number assigned each opportunity listed below.

• A German company is interested in a licensing arrangement with an American firm for the production of its fastening elements.

The line includes fastening systems and joint connections without cotter pins such as spring pins, clevises, angled joints, spring and retaining clips, fulcrum pins, bayonet clips, and duo and expansion clips. Also included are retaining nuts, adjustment linkages, and special springs and clips.

The company reports that its spring pins replace the clevis pin, washer and cotter pin, which, beside reducing assembly time and storage costs, makes the fastener reusable. The angled ball joints are adjustable maintenance-free plastic joints. Spring and retaining clips are used to lock parts on angled linkages of right and left hand design. The fulcrum spring pin with a flat clip is used to lock jointed parts on sheet metal or pivot holes.

Officials of the company plan to attend the Design Show in Chicago May 11-14. **File 1869.**

• Another German manufacturer is interested in granting a license for the production of its injection molding equipment.

These machines offer hydraulic block-type construction; ease of maintenance; electric push-button control; and free access to mold clamping plates. The machinery has a high plasticizing capacity, and it has secure mold closing insured by diaphragm, a swiveling injection unit, and a hydraulic ejector.

The firm's machines are already marketed in Germany and foreign countries. A lump-sum initial payment, plus a percentage-of-sales reimbursement is preferred by the company in return for the license. **File 1870**

• Licenses to U.S. manufacturers to produce storage containers are offered by a German firm. These are (1) large plastic polyester and/or epoxy resin containers (up to 53,000 gallons) with one or double walls; and (2) laminated all-plastic, steel-plastic, concrete-plastic, and gypsum-plastic plates. **File 1871**

• A firm is offering its patented know-how in the field of refractory linings.

These linings are designed and constructed for the metallurgical and steel industries, the non-ferrous metal and chemical industries, in power plants, incineration facilities, in foundries, and in brick, lime, cement, and glass industries. The German company also produces acid-resistant linings, complete chimneys, and suspended roofs for combustion chambers and industrial furnaces.

The firm claims that the advantages of its system are its easy installation, low heat loss, a movable suspension enabling expansion in all directions, adaptability and ease of maintenance. **File 1872**

• A Swiss company is offering manufacturing rights for its ready mix flan desserts and ice cream mixes.

These mixes are marketed in Switzerland to the hotel and institutional trade, as well as in food stores. **File 1873**

Indian firm seeks venture into production of electrical instruments in several areas

An Indian company proposes a joint venture to make electric measuring, laboratory and scientific instruments. Financial and/or technical assistance is sought of a U.S. participant in return for a minority interest in the enterprise. The capital required to purchase land machinery to equip two plants is estimated at $2.6 million.

The Indian firm wishes to produce such electric instruments as frequency meters, fuel indication meters, speed indicators and odometers for automobiles, hand driven generators and small galvanometer indicator systems. Its interests in the laboratory and scientific instrument field includes the manufacture of photo cells, photoelectric and gas calorimeters, different types of counters, experimental kits for use by schools in physical experiments and recorders.

Reportedly, India's requirements for instruments are met primarily through imports and the demands for these products are expected to increase.

Write: S. N. Mukerji, Governing Director, W. J. Alcock & Co. (Private) Ltd., 7 Hastings Street, Calcutta, India. WTD. **P-70549.**

A complete list of the instruments of interest to the firm and its proposed annual production is available from the Office of International Investment, Department of Commerce, BIC-878, Washington, D.C. 20230.

Metal working machinery license goal of Chilean firm

A Santiago company seeks a license to manufacture machinery for the production of stainless metal products for domestic and industrial use. The Chilean firm has five years experience in the metal working machinery but lacks technical assistance to improve its product line.

Write: Industrias Arredondo, San Ignacio No. 1462, Santiago, Chile. WTD. **P-70555**

Locomotive plant in Austria available for sale or lease

The present owner of a former locomotive plant is interested in selling or leasing the entire complex or individual lots ranging from 59,200 to 645,800 sq. ft. Located south of Vienna, the site is fully developed and has excellent traffic connections by super highway and railroad.

Write: Ing. Gotthard Roigk, 1090 Wien IX, Thurngasse 10, Austria. **P-70557**

Further information on this opportunity is available on a loan basis from the Office of International Investment, Department of Commerce, BIC-878, Washington, D.C. 20230.

Canadian concern seeks to diversify through joint venture, licensing agreement

An experienced Canadian firm engaged in making electric lamp manufacturing machinery, automation machinery, tools and dies seeks to diversify and expand through production of American products under license or joint venture arrangements. It is particularly interested in the manufacture of miscellaneous metal products, metal stampings and current-carrying and non current-carrying wiring devices. Interested U.S. firms are offered royalties in return for machinery, equipment and use of patent rights and technical know-how.

The firm was established in 1945 and is reportedly well experienced in its present line, operating on a profitable basis with bright future prospects. Its present plant consists of a one story brick structure with annexes owned by the principals. The management plans to construct new facilities for expansion to be located in the same area as the present plant which employs 22 persons.

Interested American firms in a position to provide product licenses and technical know-how are requested to write the Office of International Investment, Department of Commerce, BIC-878, Washington, D.C. 20230 referring to **P-70551.** All responses will be transmitted to the Canadian principals for consideration and direct reply.

Reopened El Salvador mines will need imported equipment

The recent announcement by the El Salvador Government that silver and gold mines will be reopened could produce export opportunities for U.S. suppliers of mining equipment. Located near the city of San Miguel in the Department of Morazan, the mines are now known as Minas San Cristobal, S.A., and are 100% owned by INSAFI, a Salvadoran Government-sponsored development corporation. Canadian Javelin Ltd. has, in turn, leased the mines for a five-year period with an option to buy. The Canadian firm is presently in the midst of a $3.5 million investment in studies, reconditioning and new installations. Further information is available from Mr. Rodney Thompson (Manager, Canadian Javelin, Ltd.), Minas San Cristobal, S.A., El Divisadero, Departamento de Morazan, El Salvador, C.A.

Swiss firms seek American assistance

A Swiss company is interested in know-how and manufacturing licenses with U.S. producers of electronic switching devices, industrial control accessories and electronic components. Any offer concerning the manufacture of electronic components and accessories used for the production of switching equipment and industrial controls will be considered.

The firm is a member of a group of established firms in the electronics field.

Write: Mr. Bar, Manager, Induronic AG, Dachslernstrasse 63, 8048 Zurich, Switzerland. WTD. **P-70544**

● A Swiss firm seeks licenses and technical know-how to make synthetic powders for the treatment of metal surfaces. Established as a joint venture by five leading Swiss companies in the metallurgy field, the firm is particularly interested in newly developed processes and products.

Write: Hans Gramiger, Manager, IG Pulvertechnik, 9602 Bazenheid, Switzerland. WTD. **P-70548**

● A prominent Swiss manufacturer and installer of lighting fixtures seeks licenses to produce all types of lighting fixtures for both indoor and outdoor applications.

The firm employs about 275 and operates well equipped facilities which also fabricate sheet metal work. It exports its products to European and other foreign countries through its own distribution network. The company is also prepared to offer after sale service.

Write: Niklaus Dalang, Manager, Alumag Belmag AG, Giesshubelstrasse 30, 8027 Zurich, Switzerland. WTD. **P-70552**

License to manufacture scissor lifts, hair dyes desired by Japanese firms

A U.S. license to manufacture scissor type lifts is being sought by a company presently producing scissor lifts with a capacity ranging from 0.5 to 10 tons, but which indicates it is not satisfied with their performance or quality. It seeks to improve the product through a licensing agreement.

In addition to lifts, the Osaka concern produces and distributes industrial trucks, stackers, battery operated fork lifts, metal shelving, lockers and fixtures, solid tires and reinforced plastic moldings. It has approximately 70 employees.

Write: Satoshi Kawamura, President, Kawamura Industrial Co., Ltd., 440 Motomachi 5-chome, Naniwa-ku, Osaka, Japan. WTD. **P-70546**

● A Japanese trading company seeks a license on behalf of a manufacturer of such toilet preparations as cold wave lotion, treatment cream and protein conditioners. The latter firm is interested in producing hair dyes for the Japanese and South Asia market.

Initially, the company wants to import the dyes from the U.S. manufacturer for distribution in Japan under the American brand name. After a demand for the dyes is established, the Japanese firm will move into local production, under license.

Presently, the Japanese company operates two plants and distributes its products through a subsidiary sales organization employing 120 district agents. The firm's major customers are beauty parlors.

Write: Oscar Trading Co. Ltd., Shimanouchi Bldg., 35 Kajiya-machi, Minami-ku, Osaka, Japan. WTD. **P-70547**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

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The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. The three-digit numbers and commodity classifications are from the Standard Industrial Classification (SIC) Manual. The five-digit numbers under each heading are from the Numerical List of Manufactured Products, 1967 Census of Manufacturers, Bureau of the Census and are used extensively by government and industry in classifying products.

U.S. firms should also be aware that the listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the *Department of Commerce Export Control Regulations* or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

NOTE: The SIC Manual is available for $4.50; The Numerical List of Manufactured Products (MC67-1) for $1.75 and the Export Control Regulations are priced at $12 a year. These publications may be ordered from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, or any of the 42 Department of Commerce Field Offices throughout the United States.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

● indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Agencies

Specific foreign firms have expressed interest in agency agreements for the products listed below. Exclusive agencies for these products are wanted only if specified.

195 Small arms

19512—ITALY—Carbines: 6 mm and 9 mm. F.A.S.S.A. Forniture Articoli Sportivi (distributor), Via Manzoni 30, Milan. WTD 3/70.

196 Small arms ammunition

19610—ITALY—Shot gun cartridges: 6 mm and 9 mm. F.A.S.S.A. Forniture Articoli Sportivi (distributor), Via Manzoni 30, Milan. WTD 3/70.

204 Grain mill products

20421—ITALY—Poultry feed supplements. Greenland Chems, S.r.l. (distributor), 18 Via Washington, 20146 Milan. WTD in preparation.

20422—ITALY—Livestock feed supplements. Greenland Chems, S.r.l. (distributor), 81 Via Washington, 20146 Milan. WTD in preparation.

209 Food preparations

20990 — GUATEMALA — Convenience food products, packaged and frozen TV dinners, similar specialty items. Also interested in discussing joint ventures for production, distribution of these products. CODICASA—Compania de Distribucion Centroamericana, S.A. (distributor, agent), 11 Avenida 20-60, Zona 1, Apartado Postal 1145, Guatemala City. WTD 4/70.

221 Broad woven fabric mills, cotton

22110 — SWEDEN — Cotton fabrics (gray goods). Firma Birger Nordwall (importer, distributor, agent), Box 399, S-501 07 Boras. WTD 4/70.

222 Broad woven fabric mills, manmade fiber, silk

22210—SWEDEN—Synthetic fabrics (gray goods). Firma Birger Nordwall (importer, distributor, agent), Box 399, S-501 07 Boras. WTD 4/70.

226 Dyeing, finishing textiles, except wool fabrics, knit goods

22690 — SWEDEN — Finished yarn, cotton and synthetic. Firma Birger Nordwall (importer, distributor, agent), Box 399, S-501 07 Boras. WTD 4/70.

229 Textile goods

22991—SWEDEN—Nonwoven textiles. Firma Birger Nordwall (importer, distributor, agent), Box 399, S-501 07 Boras. WTD 4/70.

252 Office furniture

25220—LEBANON—Metal office furniture. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

262 Paper mills

26210—LEBANON—All kinds of paper. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

26210—NIGERIA—Kraft, M.G. & M.F., Kraft liner corrugating medium woodfree writing and printings, Bond offset and Litho papers, poster paper, chip board, sack paper, unbleached boards, grey board. Nigerian Paper Mill Ltd. (distributor, manufacturer, agent), P.O. Box 1648, Lagos. WTD in preparation.

264 Converted paper, paperboard products

26411—GUATEMALA—Off-machine coated paper for printing. Compania Industrial Ultramar (Guatemala) Ltda. (agent), 8a. Avenida 20-12, Zona 1, Apartado Postal 663, Guatemala City. WTD 3/70.

26412—GERMANY—All kinds of oiled, waxed and wax laminated paper used for wrapping of different goods and materials. Herbert W. Moeller (agent), 2000 Hamburg 26, Anckelmannstrasse 13. WTD 2/70.

26414—GERMANY—All kinds of sensitive tapes, labels, etc., used for packaging purposes. Herbert W. Moeller (agent), 2000 Hamburg 26, Anckelmannstrasse 13. WTD 2/70.

26430—JORDAN—Bags for packaging of cement. Requests quotations c. & f. Beirut, Lebanon and Aqaba, Jordan for lots of 1,000,-

000 bags. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

26451—LEBANON—Office supplies (filing accessories), related products. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

26491 — LEBANON — Stationery, related products. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

281 Industrial chemicals

28197 — JORDAN — Sodium tripoly phosphate and anhydrous sodium sulfate in bulk lots of 100 tons or more. Requests quotations c. & f. Aqaba, Jordan, Beirut, Lebanon. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

282 Synthetic materials

28210 — JORDAN — Polyethylene granules and polystyrene for injection, both in bulk lots of 100 tons or more. Requests quotations c. & f. Aqaba, Jordan and Beirut, Lebanon. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, WTD in preparation.

28213—ITALY—Thermoplastic and thermosetting resins and plastic materials. Greenland Chems, S.r.l. (distributor), Via Washington, 81, 20146 Milano. WTD in preparation.

283 Drugs

28315—KOREA—Measles vaccine. International Supplies Co. (importer, distributor, agent), 52-9, 2-ka, Myung-dong, Chung-ku, Seoul (I.P.O. Box 2471). WTD 4/70.

28332—ITALY—Pharmaceutical chemicals: organic, inorganic. Greenland Chems, S.r.l. (distributor), Via Washington 81, 20146 Milan. WTD in preparation.

28340—NIGERIA—Pharmaceutical preparations. GICPON Group of Companies (importer, distributor), 14 Wharf Rd., Apapa. WTD 3/70.

28349—ITALY—Pharmaceuticals for veterinary use. Greenland Chems, S.r.l. (distributor), Via Washington 81, 20146 Milan. WTD in preparation.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

28410—JAPAN—Automatic blood and urine analyzers. Ewig Shokai, K. K. (importer, agent, retailer), 14-12 Shoto 2-chome, Shibuya-ku, Tokyo. WTD 4/70.

28421—JORDAN—Insecticides and repellants, for killing flies and mosquitos, not less than 5% pyrethrin. Requests literature, quotations c. & f. Beirut, Lebanon and Aqaba, Jordan. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

28440—GUATEMALA—Toiletries not produced in Central American Common Market and new to U.S. market. Also interested in discussing joint ventures for production, distribution of these products. CODICASA—Compania de Distribucion Centroamericana, S.A. (distributor, agent), 11 Avenida 20-60, Zona 1, Apartado Postal 1145, Guatemala City. WTD 4/70.

287 Agricultural chemicals

28790—PAKISTAN—Insecticides and pesticides. Requests catalogs, quotations, c. & f., Karachi. Ahmed International Equipment Co. Ltd. (agent), 8-10, Fort View Victoria Rd., Preedy St., Karachi. WTD 2/70.

289 Chemical products

28993 — JORDAN — Anti-freeze, in bulk drums. Requests literature, quotations c. & f. Beirut, Lebanon and Aqaba, Jordan. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

291 Petroleum refining

29110—GUATEMALA—Paraffin. Compania Industrial Ultramar (Guatemala) Ltda. (agent), 8a. Avenida 20-12, Zona 1, Apartado Postal 663, Guatemala City. WTD 3/70.

299 Products of petroleum, coal

29920—JORDAN—Lubricating oils and greases, in bulk. Requests literature, quotation c. & f. Beirut, Lebanon and Aqaba, Jordan. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

307 Plastic products

30790—GERMANY—All kinds of plastic sheets material used for packaging purposes. Herbert W. Moeller (agent), 2000 Hamburg 26, Anckelmannstrasse 13. WTD 2/70.

322 Glass, glassware

32210—PAKISTAN—Ampoules, glass. Requests catalogs, quotations, c. & f., Karachi. Mohamedi Medical Store (agent), Tank No. 5, Kharadhar, Karachi-2. WTD in preparation.

325 Structural clay products

32550—NIGERIA—Cement. GICPON Group of Companies (importer, distributor), 14 Wharf Rd., Apapa. WTD 3/70.

329 Abrasive products

32913—ITALY—Abrasive cloth, paper, other advanced abrasive products. Rigamonti Abrasivi (distributor), Via Cola da Rienzo 7, Milan. WTD 3/69.

331 Steel mill products

33121 — PAKISTAN — Pig iron. Requests catalogs, quotations, c. & f., Karachi. Sinter & Turner (Precision) Ltd. (importer, agent), 47-48, Sector 15, Korangi Industrial Area, Karachi. WTD in preparation.

33122—GUATEMALA—Steel ingots and semi-finished shapes and forms; steel billets. Compania Comercial Ultramar (Guatemala) Ltda. (agent), 8a. Avenida 20-12, Zona 1, Apartado Postal 663, Guatemala City. WTD 3/70.

33128—NIGERIA—Cold-finished steel bars and bar shapes. GICPON Group of Companies (importer, distributor), 14 Wharf Rd., Apapa. WTD 3/70.

33151 — GUATEMALA — Noninsulated ferrous wire rope, cable and strand; wirerods. Compania Industrial Ultramar (Guatemala) Ltda. (agent), 8a. Avenida 20-12, Zona 1, Apartado Postal 663, Guatemala City. WTD 3/70.

335 Rolling, drawing, extruding of nonferrous metals

33523—GERMANY—Plain aluminum foil. Herbert W. Moeller (agent), 2000 Hamburg 26, Anckelmannstrasse 13. WTD 2/70.

33524—JORDAN—Sections, aluminum finished unfabricated. Yacoub Kudsi Qaqish (importer, distributor, agent), P.O. Box 735, Amman. WTD 4/70.

341 Metal cans

34110 — JORDAN — Metal cans, steel, 5 gallon, military type for transport of gasoline. Requests quotations c. & f. Beirut, Lebanon and Aqaba, Jordan. KIMA Engineering & Trading Co. (importer, distributor, agent), Station Road, P.O. Box 6822, Amman. WTD in preparation.

344 Fabricated structural metal products

34412—THAILAND—Flyovers, temporary, similar or equal to British Marples Ridgway "Bridgway" system, capable of quick erection and dismantling for possible use in different locations. Supplier also produces financing, temporary services of engineer. International Technical Agencies Ltd. (importer, distributor), 183 Sukhumvit Rd., 4th floor, B&P Bldg., P.O. Box 2673, Bangkok. WTD in preparation.

345 Screw machine products

34521—JORDAN—Screws, nuts, bolts, rivets and washers, other accessories, aluminum. Yacoub Kudsi Qaqish (importer, distributor, agent), P.O. Box 735, Amman. WTD 4/70.

351 Engines, turbines

35112 — CANADA — Steam, gas, and hydraulic turbines, parts; mechanical drive steam turbines and gear turbines. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

353 Construction, mining, materials handling machinery

35322 — CANADA — Crushing, pulverizing, and screening machinery; ore processing equipment—crushers, feeders, grinders, hammer mills, separating machinery. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

35323—CANADA—Drills for mining machinery. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

354 Metalworking tools

35423—GUATEMALA—Metal forming machine tools, including forging machines. Compania Industrial Ultramar (Guatemala) Ltda. (agent), 8a. Avenida 20-12, Zona 1, Apartado Postal 663, Guatemala City. WTD 3/70.

355 Special industry machinery

35513 — SWITZERLAND — Food products and beverage industrial machinery. Technosa AG (importer, distributor, agent), Avenue General-Guisan 58, 1009 Pully. WTD 4/70.

35540—CANADA—Pulpmill and papermill

XUM

machinery, equipment. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

35591—CANADA—Chemical manufacturing industries machinery, equipment, parts. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

35591—SWITZERLAND—Chemical manufacturing industries machinery. Technosa SA (importer, distributor, agent), Avenue General-Guisan 58, 1009 Pully. WTD 4/70.

35595—CANADA—Petroleum refinery machinery, equipment, including parts. Diamond Canapower Ltd. (manufacturer, agent), 1122 Pioneer Rd., Burlington, Ontario.

35595 — PAKISTAN — Bottle forming machines. Requests catalogs, quotations, c. & f., Karachi. Mohamedi Medical Store (agent), Tank No. 5, Kharadhar, Karachi-2. WTD in preparation.

356 General industrial machinery

35615—ITALY—Sprayers for spraying resins and plastic materials, for spraying surfacing compounds and coatings. C.T. (Milano) S.p.A. (distributor), Via G. Fara 23, 20124 Milan. WTD 2/70

35690—ITALY—Fully automatic and semi-automatic strapping equipment for non-metallic bands (polypropylene straps). Superband S.p.A. (distributor), Via Aosta 2, 20155 Milan. WTD 3/69.

357 Office, computing, accounting machines

35720—LEBANON—Typewriters. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

35731—LEBANON—Electronic computing machines. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

35741 — LEBANON — Calculating and accounting machines. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

35790—GERMANY—All kinds of office machines which could be offered to use in industrial and commercial enterprisings. Oscar H. Jencquel (agent), 2000 Hamburg 13, Johnsallee 7. WTD 2/70.

35790—LEBANON—Check writing, dictating, duplicating machines. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

358 Service industry machines

35853 — PAKISTAN — Refrigeration equipment, commercial. Requests catalogs, quotations, c. & f., Karachi. Airtechniques Engineering Corp. (agent), 15, Nasir House, McLeod Road, Karachi. WTD 2/70.

35857—THAILAND—Automobile air-conditioners. Requests catalogs, brochures, c.i.f. Bangkok prices. C.K.R. Motors Ltd. (distributor), 50 Rama I St., Bangkok. WTD in preparation.

362 Electrical industrial apparatus

36220 — SWITZERLAND — Electric and electronic control accessories for industrial applications. Induronic AG; Attn: Mr. Bar (manufacturer, agent), Dachslernstrasse 63, 8048 Zurich. WTD 4/70.

366 Communication equipment

36623—HONDURAS—Electric alarm sys-

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilities overseas, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE, N. MEX., 87101, U. S. Courthouse. Area Code 505, 843-2386.

ANCHORAGE, ALASKA, 99501, 412 Hill Bldg., 632 Sixth Ave. Area Code 907, 272-6531.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St., NW. Area Code 404, 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301, 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205, 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617, 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716, 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803, 577-4171.

CHARLESTON, W. VA., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. Area Code 304, 343-6181 Ext. 375 and 376.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Area Code 307, 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 S. Dearborn St. Area Code 312, 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513, 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216, 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214, 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303, 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515, 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313, 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919, 275-9111.

HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203, 244-3530.

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808, 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713, 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904, 791-2796.

KANSAS CITY, MO., 64106, Room 1840, 601 E. 12th St. Area Code 816, 374-3141.

LOS ANGELES, CALIF., 90024, 11th Floor, Federal Bldg., 11000 Wilshire Blvd. Area Code 213, 824-7591.

MEMPHIS, TENN., 38103, 710 First American Bank Bldg., 147 Jefferson Ave. Area Code 901, 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305, 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414, 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612, 725-2133.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504, 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212, 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215, 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602, 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412, 644-2850.

PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503, 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702, 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703, 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314, 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801, 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415, 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912, 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206, 583-5615.

tems. Exclusive distribution. Servicentro Presidente (Rafael Raudales A.) (importer, agent, retailer), Barrio El Guanacaste, Tegucigalpa. D.C. WTD in preparation.

367 Electronic components, accessories

36790—SWITZERLAND—Electronic components of all kinds especially for manufacture of switching equipment and industrial controls. Induronic AG; Attn: Mr. Bar (manufacturer, agent), Dachslernstrasse 63, 8048 Zurich. WTD 4/70.

369 Electrical machinery, equipment, supplies

36996—ITALY—Cables and wires featured by core conductors, insulation and protective covering suitable for use in ship building industry. Marind, S.r.l. (distributor), Riva Nazario Sauro 16, 34123 Trieste. WTD 7/69.

381 Engineering, laboratory, scientific research instruments

38112 — JAPAN — Spectrophotometers and parts; cryogenic equipment and parts; color meters and parts; densitometers and parts. Ewig Shokai, K.K. (importer, agent, retailer), 14-12 Shoto 2-chome, Shibuya-ku, Tokyo. WTD 4/70.

382 Instruments for measuring, controlling, indicating physical characteristics

38220—PORTUGAL—Thermostats for air conditioning and refrigeration. Frigido-Termoindustria Carrasqueira & Teixeira, Lda. (importer, distributor, agent), Avenida 5 de Outubro 177, Lisbon 1. WTD 6/69.

386 Photographic equipment, supplies

38612 — LEBANON — Photocopying machines. Agent and distributor in Lebanon, certain Arab countries. The Hilal Trading Agency (importer, distributor, agent, retailer), A. Abdel Khalek Bldg., Rue Mme Curie, P.O. Box 5424, Beirut. WTD 1/70.

391 Jewelry, silverware, plated ware

39140—GUATEMALA—Flatware, not produced in Central American Common Market and new to U.S. market. Also interested in discussing joint ventures for production, distribution of these products. CODICASA—Compania de Distribucion Centroamericana, S.A. (distributor, agent), 11 Avenida 20-60, Zona 1, Apartado Postal 1145, Guatemala City. WTD 4/70.

Direct Sales

Specific foreign firms have expressed interest in direct purchases of the products below. See also the "Agencies" listing.

011 Commercial farms

01130—BRITISH HONDURAS—Corn suitable for manufacture of animal, poultry feeds. Requirements of 10 to 12 tons of corn per mo. The Mennonite Centre (importer, distributor, manufacturer), P.O. Box 461, Belize City. WTD 4/70.

01131—GERMANY—American rice, milk rice, bouillon rice. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

01136—GERMANY—Dried lentils. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

01137—BRAZIL—Corn, in grain. Quantity desired: about 360 tons, annually. Wagoo Brasileira Importacao e Exportacao Ltda. (importer, distributor), Rua Senador Manoel Barata 495, Caixa Postal 689, Belem, Para. WTD 4/70.

201 Meat products

20114—FRANCE—Pork variety meats and edible organs, primarily livers. Price lists requested. VIFRACO (Societe) (importer), 125 Cours St. Louis (13 Crs Ed. Vaillant), 33 Bordeaux. WTD 4/69.

20151—GERMANY—Frozen chicken and chicken drumsticks. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

20153—GERMANY—Frozen turkeys and turkey drumsticks. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

20154—GERMANY—Canned chicken. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70 .

203 Canning, preserving foods

20323—GERMANY—Canned white beans. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70 .

20331 — GERMANY — Canned California peaches, pineapples, fruit cocktail, grapefruit. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

20334—GERMANY—Canned lemon juice, Florida orange juice. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

20341 — GERMANY — California bleached sultanas, mixed nuts. Requests price quotations f.o.b. American ports. Heinrich Paas, VeGe-Zentrale Ruhr (importer, distributor, retailer), Postfach 227, 43 Essen-Altenessen. WTD 4/70.

221 Broad woven fabric mills, cotton

22114 — JAPAN — Nonshrink-proof cotton cloth for denims. Schedules to purchase $4,000-$5,000 (f.o.b.) a month. Fuso Trading Co., Ltd. (importer, distributor), Tsukisan Bldg., 7-1 Tsukiji 4-chome, Chuo-ku, Tokyo. WTD 1/69.

229 Textile goods

● **22900—IRAN**—Bids are requested by the Iranian Tobacco Co. for 10,000 plastic spools of red tape, 4,800 spools of blue tape, and 500 spools of gold tape. Bids are due on or before 9 a.m., June 14, at the Iranian Tobacco Co., Tehran, Iran. Tenders are available on loan basis from the Chemicals Division, BDSA, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-3381). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Office Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

232 Men's, youths', boys' furnishings, work clothing

23271—BRAZIL—Men's and boys' separate dress and sport trousers. Quantity desired: about 10,000 units per yr. Apolo Importadora Ltda. (importer, distributor, retailer), Rua Marechal Deodoro 177, altos Sala Z, Manaus, Amazonas. WTD 4/70.

241 Logging camps, logging contractors

24110—GERMANY—Logs: black walnut, chinkapin, elm. Offenhaeuser KG-Knauf Furniere (importer, distributor, manufacturer), 1 Porschestrasse, D-7257 Ditzingen, Baden-Wuerttemberg. WTD 4/70.

242 Sawmills, planing mills

24211—GERMANY—Sawed lumber. Price quotations c.i.f. Hamburg or Bremen. Otto Hintze (importer, manufacturer, agent), 55 Merowingerstrasse, 4 Duesseldorf. WTD 3/70.

24211 — ISRAEL — Softwood lumber and timbers over two inches in nominal thickness produced in sawmills. A. Grober & Co. (importer, timber agency), 22 Hanamal St., Haifa. WTD in preparation.

243 Millwork, veneer, plywood, prefabricated structural wood products

24320—GERMANY—All kinds of veneers. Offenhaeuser KG-Knauf Furniere (importer, distributor, manufacturer), 1 Porschestrasse, D-7257 Ditzingen, Baden-Wuerttemberg. WTD 4/70.

261 Pulp mills, products

26112—ITALY—Wood pulp used in making paper. Cartiere Italiana e Sertorio Riunite S.p.A. (importer, manufacturer), Via Valeggio 5, P.O. Box 424, Turin. WTD 10/69.

306 Fabricated rubber products

30698—GERMANY—All kinds of off grade scraps, also material suitable for regenerating, grinding purposes. Guenther Rohde Rohstoff GmbH. (importer, distributor, agent), 2000 Hamburg 74, Werner-Siemens-Strasse 95. WTD 4/70.

307 Plastic products

30798—GERMANY—Micro cellulare scrap, (styrol) styrene containing sole scraps and all other kinds of plastic scraps of substandard quality. Guenther Rohde Rohstoff GmbH. (importer, distributor, agent), 2000 Hamburg 74, Werner-Siemens-Strasse 95. WTD 4/70.

311 Leather tanning, finishing

31111—JAPAN—Men's belts. Schedules to purchase $3,000-$4,000 (f.o.b.) a month. Fuso Trading Co., Ltd. (importer, distributor),

XUM

Tsukisan Bldg., 7-1 Tsukiji 4-chome, Chuo-ku, Tokyo. WTD 1/69.

335 Rolling, drawing, extruding of nonferrous metals

33512—ITALY—Thick wall seamless bronze pipes (diameter 250 + 1250 mm.) Overmeccanica (importer), Via Torricelli 25, Z.A.I. Verona. WTD 12/69.

33522—EL SALVADOR—Aluminum sheet, for marine use, for manufacturing aluminum boats and cabin cruisers of 16 to 20 feet long. Thoresen & Co. (importer, manufacturer, agent), Apartado Postal 267, 6a. Avenida Norte y la. Calle Oriente, San Salvador. WTD in preparation.

33525—EL SALVADOR—Aluminum extrusions for marine use. Thoresen & Co. (importer, manufacturer, agent), Apartado Postal 267, 6a. Avenida Norte y la. Calle Oriente, San Salvador. WTD in preparation.

342 Cutlery, hand tools, general hardware

34211—ISRAEL—Cutlery, all kinds; general hardware including scissors, shears, cleavers, trimmers, etc. Direct purchase and exclusive agency. Gibton-Agents & Distributors Ltd. (importer, distributor, agent), 61 Herzl St., Tel Aviv. WTD in preparation.

34291—EL SALVADOR—Marine hardware and aluminum rivets. Thoresen & Co. (importer, manufacturer, agent), Apartado Postal 267, 6a. Avenida Norte y la. Calle Oriente, San Salvador. WTD in preparation.

344 Fabricated structural metal products

34422—EL SALVADOR—Aluminum window frames for marine use. Thoresen & Co. (importer, manufacturer, agent), Apartado Postal 267, 6a. Avenida Norte y la. Calle Oriente, San Salvador. WTD in preparation.

34431—ISRAEL—Heat exchangers for commercial, industrial, nuclear and scientific use. Direct purchase and exclusive agency. Nechushtan Wholesalers & Manufacturers Ltd. (importer, distributor (wholesale), manufacturer (under license)), 1 Jaffa Rd., P.O. Box 1758, Tel Aviv. WTD in preparation.

34439—ISRAEL—Spherical storage tank TVC. Specifications to be given to manufacturer. Direct purchase and exclusive agency. Nechushtan Wholesalers & Manufacturers Ltd. (importer, distributor (wholesale), manufacturer (under license)), 1 Jaffa Rd., P.O. Box 1758, Tel Aviv. WTD in preparation.

349 Fabricated metal products

34942 — GERMANY — Valves and gaskets which can be used in UF-6 plants (uranium preparation plants). Requests prices with resale discount. H. Erben GmbH. (importer, distributor), 4 Duesseldorf-Oberkassel, Teutonenstrasse 4. Attn: Herr Krautz. WTD 3/70.

34942—ISRAEL—Pneumatic controls, accessories, actuators; hydraulic components, actuators and controls, for commercial and industrial use. Direct purchase and exclusive agency. Nechushtan Wholesalers & Manufacturers Ltd. (importer, wholesale distributor, manufacturer: under license), 1 Jaffa Rd., P.O. Box 1758, Tel Aviv. WTD in preparation.

351 Engines, turbines

35111—ISRAEL—Stand-by emergency generator sets (independent current supply—diesel, gasoline, and gas-driven) AC and DC current up to 10,000 KVA. Direct purchase and exclusive agency. Nechushtan Wholesalers & Manufacturers Ltd. (importer, distributor (wholesale), manufacturer (under license)), 1 Jaffa Rd., P.O. Box 1758, Tel Aviv. WTD in preparation.

353 Construction, mining, materials handling machinery, equipment

35351 — POLAND — Container handling equipment of all types. Zjednoczenie Portow Morskich (Mr. M. Kowalikowski) (professional association of port managers, engineers), Gdynia, ul. Zgoda 8.

355 Special industry machinery

35513—MEXICO—Meat packing plant: establishment primarily engaged in slaughtering, for their own account, of cattle, hogs, sheep, lambs, etc., for meat to be sold or to be used on same premises in canning and curing, and in making sausage, lard, other products. Plant to process 100/120 cattle. Correspondence requested in Spanish. Frigorifico del Sur (Placido Ledesma Cubillos) (importer), Domicilio Conocido, c/o Asociacion Local Ganadera, Oluta, Ver. WTD 4/70.

35540—ITALY—Paper making machinery and equipment with latest technical improvements. Cartiere Italiana e Sertorio Riunite S.p.A. (importer, manufacturer), Via Valeggio 5, P.O. Box 424, Turin. WTD 10/69.

35595—ITALY—Complete plant for manufacture of hypodermic needles. Hourly output: from a minimum of 2,500 to a maximum of around 3,000/3,200 in the various standard sizes. Types: injection needles of multi use (and not disposable) type for sterile individual packing. Plant should include sterilizing unit by ethylene-oxide process, combined to full automatic machine for individual packaging of hypodermic needles. Dino S. Saltiel (Italia) (importer), Via Ettore Paladini 5, Milan. WTD in preparation.

356 General industrial machinery

35614 — ISRAEL — Heavy-duty industrial compressors for air and gas. Direct purchase and exclusive agency. Nechushtan Wholesalers & Manufacturers Ltd. (importer, distributor (wholesale), manufacturer (under license)), 1 Jaffa Rd., P.O. Box 1758, Tel Aviv. WTD in preparation.

35615—GERMANY—All kinds of pumps, bilge pumps with impeller, pumps for chemical industry, pumps made of plastics, electrically operated sump pumps, also pumps of gasoline motor operation, under water pumps up to about 1,000 liters per minute (about 270 gal./minute). ABC-Pumpen, Claus G. Knueppel (importer, distributor, manufacturer), 2000 Hamburg 22, Dehnhaide 149. WTD 4/70.

358 Service industry machines

35857 — ISRAEL — Complete refrigeration plant, equipment for installation of an ice-rink. Mifalim Enterprises (Israel) Ltd. (importer, promotion/planning & development of tourist projects), Shalom Tower Bldg., 9 Ahad Ha'am St., Tel Aviv. WTD in preparation.

361 Electric transmission, distribution equipment

● **36100—BURMA**—Supply 155 each starter with no volt and over load release, various sizes. Tender No. 33(T)EL-ESB(E)/69-70; bid deadline May 29. Government of the Union of Burma, Electricity Supply Board, Central Stores Department, Rose Bank Road, Ahlone, Rangoon. Specifications available from the Power & Electrical Equipment Division, BDSA, Room 5886C, Department of Commerce, Washington, D.C. 20230 ★(202-967-4241). A copy is also available for review at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

● **36100 — CHILE** — Supply metal-clad, metal-enclosed interruptor, low-voltage power circuit breaker, switchgear and low-voltage metal-enclosed bus, including accessories, spares, tests and transport packing. Tender No. PB/LMBA (No. 11-22); bid deadline June 16. Empresa Nacional de Electricidad S.A., "ENDESA", calle Santa Rosa No. 76, Seccion Equipo Electrico, 14th FL., Santiago, Chile. Specifications available from the Power & Electrical Equipment Division, BDSA, Room 5886C, Department of Commerce, Washington, D.C. 20230 ★(202-967-4241).

● **36100—INDIA**—Supply components and assemblies required for fabrication of rectifier, invertor and switchgear equipment for 1,500 V-D.C. traction substation. Tender No. RB/ELEC/1/1970; bid deadline May 25. Specifications available for U.S. $6.70 per set from the India Supply Mission, 2536 Massachusetts Ave., Washington, D.C. 20008, possible financing under I.D.A. credit. One copy of specifications available for reference only, not for loan, from the Power & Electrical Equipment Division, BDSA, Room 5886-C, U.S. Department of Commerce, Washington, D.C. 20230 (202-967-4241).

● **36100—INDIA**—Supply components and assemblies for fabrication of rectifier/invertor and switchgear equipment for 1500 V-D.C. traction substation. Tender No. RB/ELEC/1/1970; bid deadline May 25. Specifications available for U.S. $7 from the India Supply Mission, 2536 Massachusetts Ave., NW., Washington, D.C. 20008. One copy available for review only from the Power & Electrical Equipment Division, BDSA, Room 5886C, Department of Commerce, Washington, D.C. 20230 (202-967-4241).

● **36100—NIGERIA**—Supply 195,000 each various size fuse and HRC fuse links. Tender No. ECN 23; bid deadline June 27. Specifications available for approximately U.S. $65 from the Electricity Corporation of Nigeria, Private Mail Bag 12055, 30 Marina, Lagos, Nigeria.

36110—GERMANY—Calibrated thermoelements of 1.8°-300° Kelvin used in cryogenic plants. Requests prices with resale discount. H. Erben GmbH. (importer, distributor), 4 Duesseldorf-Oberkassel. Teutonenstrasse 4. Attn: Herr Krautz. WTD 3/70.

362 Electrical industrial apparatus

36220—GERMANY—Electromechanical and electrohydraulic operating controls for doors, traps, etc., also wireless geared and operated power drives. Correspondence requested in German. B. H. Ritter—Antriebstechnik (importer, distributor, house constructor), 2427 Malente-Gremsmuehlen, Baerwalder Weg 1. WTD 2/70.

364 Electric lighting, wiring equipment

● **36400—NATO**—The Federal Republic of Germany invites requests to bid for airfield strobe lighting consisting of 38 approach lights, 13 strobe lights with complete constant current control including cabling and earth works. Bid deadline July 2. Documents No. 68-25-31-22(133) available from the Power &

Electrical Equipment Division, BDSA, Room 5885C, Department of Commerce, Washington, D.C. 20230 ★(202-967-4241). A copy is also available for review at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868). Only U.S. firms certified by the U.S. Department of Commerce are eligible to bid on NATO projects. U.S. firms interested in certification should contact the International Liaison & Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230.

366 Communication equipment

36624—POLAND—Navigation (electronic), communications and radar equipment for installation on Polish built vessels. Centromor (Henryk M. Gorzechowski) (importer), Gdansk, ul. Okopowa 7.

367 Electronic components, accessories

36730 — ITALY — Electronic components, especially electron tubes. Hasler Italiana, S.p.A. (importer, manufacturer, agent), Via Nettunense Km. 6.5, Cancelleria-Quarto Negroni, Ariccia (Rome). WTD 4/70.

36740 — GERMANY — Semiconductors, related products for electro-technical, electronic industries. Direct purchase and agency. Correspondence requested in German. DIMA-Elektronik, Karl Manger K.G. (distributor, agent), 7800 Freiburg i.B., Karlstrasse 6, Germany. WTD 4/70.

36740—ITALY—Electronic components for microwave equipment (only for professional use and including electron tubes and semiconductors). S.F.E.R.A., S.r.l., Societa Forniture Elettriche Radio Affini (importer, distributor, agent), Via Asmara 72, 00199 Rome. WTD 4/70.

36790—GERMANY—Electronic components such as resistors, condensers, capacitors, similar products for electro-technical, electronic industries. Direct purchase and agency. Correspondence requested in German. DIMA-Elektronik, Karl Manger K.G. (distributor, agent), 78 Freiburg i.B., Karlstrasse 6, Germany. WTD 4/70.

36792—GERMANY—All kinds of capacitors for electronic applications. Hanns Schaefer (H. D. Mueller) (importer, distributor, manufacturer), 3000 Hannover, Hagenstrasse 26. WTD 6/69.

36793—GERMANY—All kinds of resistors for electronic applications. Hanns Schaefer (H. D. Mueller) (importer, distributor, manufacturer), 3000 Hannover, Hagenstrasse 26. WTD 6/69.

36795—GERMANY—All kinds of components used for musical instruments, orchestra applications, amplifiers and receivers, etc. Hanns Schaefer (H. D. Mueller) (importer, distributor, manufacturer), 3000 Hannover, Hagenstrasse 26. WTD 6/69.

36795—GERMANY—Electronic equipment of enhanced permeability for isolating noise signals from underground sounds; similar units and lock in intensifiers. Dipl.-Met. Gerhard Winopal (importer, distributor, manufacturer), 3004 Isernhagen NB Sued. WTD in preparation.

36795—GERMANY—Other electronic components and accessories: all kinds of equipment, component and accessories in this line, also used for military purposes. Karl Wehrmann (Ottfried Follert) (importer, distributor, agent), 2000 Hamburg 1, Spaldingstrasse 74. WTD 4/70.

381 Engineering, laboratory, scientific, research instruments

● **38100—KOREA**—Supply of 20 items of scientific equipment in various quantities including: mixing tanks; formentor; dual nozzle filler; sterilizing filter holder; gas chromatograph; B.O.D. incubator; field lab oxygen analyzer; smokescope; chronometer; balance; electrophoresis; glass distiller and more. Tender No. SLC-0067-P II; bid deadline May 29. Invited by the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

38112—GERMANY—Laboratory and scientific instruments for use in industrial-mineral, building-material, and ceramic industries. C.i.f. European ports. Direct purchase and agency. A. Bauermann & Co., Verfahrenstechnik (importer, manufacturer, exporter), 42-44 Engelsberg—Postfach 107, 565 Solingen-Ohligs. WTD 4/70.

38112—GERMANY—All kinds of engineering, laboratory and scientific and research instruments and associated equipment which could be sold through specialists to pertinent business circles. Spindler & Hoyer KG. (importer, manufacturer), 3400 Goettingen, Koenigsallee 23. WTD 2/70.

382 Instruments for measuring, controlling, indicating physical characteristics

● **38200—PAKISTAN**—Supply of one set universal testing machine, capacity 400,000 lbs. (200 tons) in tension and compression, electrically operated 220/240 volts, 50 cycles, AC, standard grips for tensile testing of 3" to ¼" round steel bars and grips for wire and strip testing, fitted with automatic program controller. Tender No. S-10/36 (69-70); bid deadline June 6. Invited by the Director of Supply, Government of E. Pakistan, 48 Motijheel Commercial Area, Dacca-2, East Pakistan. Cable: "SUPPLY", Dacca. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

38216—GERMANY—All kinds of other mechanical measuring and controlling instruments suitable for selling through specialists to pertinent business circles; apparatus for demonstration of physical laws in education. Spindler & Hoyer KG. (importer, manufacturer), 3400 Goettingen, Koenigsallee 23. WTD 2/70.

383 Optical instruments, lenses

● **38300—INDIA**—Supply of various types of polarization microscopes in quantities of one or two, submitted through six tenders including: one advanced research type for combined transmitted and incident light observations; two advanced ore for incident light; two for incident light; two advanced for transmitted light; two for transmitted light, routine type; also two phase contrast condensers for use with microscopes. All of the above items with accessories. Tender Nos. PUR/MD/CS/KH/ Lab (18 through 23) Global/70, bid deadlines May 21 for Lab (18 through 20), and May 22 for Lab (21 through 23). Bidders may quote on any or all Tenders. Tender documents are available from, and bids should be submitted to: The Controller of Supplies, Hindustan Copper Limited, P.O. Khetri Copper Project, Jhunjhunu, Rajasthan, India. A review copy of each Tender is available for inspection, not for loan, at the Scientific and Business Equipment Division, Room 4120, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 (202-967-2939).

38311—GERMANY—All kinds of optical instruments, component parts. Spindler & Hoyer KG. (importer, manufacturer), 3400 Goettingen, Koenigsallee 23. WTD 2/70.

384 Surgical, medical, dental instruments

38410—ITALY—Heart stimulators, tonometers, monitoring devices and heart surgical emergency equipment; kidney dialysis equipment. Requests literature, technical data, delivery terms, export prices, discounts available. DEISAN, Industriale Commerciale Prodotti Sanitari Chimici e Farmaceutici, S.r.l. (importer, distributor, agent), Via Ciro Menotti 4, 00195 Rome. WTD 2/70.

386 Photographic equipment

● **38600—GREECE**—Supply of sensitized film, motion picture, 450,000 meters (1,476,373 ft.), 16 mm., positive, intended for the reproduction of positive copies from negative film; motion picture, 100,000 meters (328,083 ft.), 16 mm., negative film, intended for copying from positive film. Tender No. 4/278/70; bid deadline June 10. Estimated value $40,000. Invited by the Ministry of Commerce, 4th Directorate of State Purchases, 75 Solonos St., Athens, Greece. Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

38615—GERMANY—Eight mm motion picture films, both black and white and color, for elementary school teaching purposes in following fields: geography, geometry/mathematics, botany, zoology, anatomy, general biology, metal industries, planning and drawing. Lehrmittelverlag Wilhelm Hagemann (importer, distributor, manufacturer, exporter), 20 Karlstrasse, 4 Duesseldorf. Attn: Herr Huetten. WTD 4/70.

394 Toys, amusement, sporting goods

39493—GERMANY—Motor sleds for winter sports. Requests price quotations c.i.f. Hamburg or Bremen. Otto Kleyer KG. (importer, distributor, manufacturer, agent, exporter), 12a Luebbecker Strasse, 4950 Minden/Westf. WTD 4/70.

395 Pens, pencils, office, artists' materials

39510—BRAZIL—Pens, mechanical pencils, and pen points. Quantity desired: about 15,000 units per yr. Apolo Importadora Ltda. (importer, distributor, retailer), Rua Marechal Deodoro 177, altos sala Z, Manaus, Amazonas. WTD 4/70.

XUM

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

AUSTRALIA—Plans for a **$5 million complex to include a motel, airline terminal and office building** in North Terrace, Adelaide, South Australia, have been announced by Ansett Transport Industries Ltd. The site for the complex, about one-third of an acre, is reported to be one of the best in the downtown area of Adelaide. It is owned by Ansett and is being used as an open-air car park. A company spokesman said that the building would have a main tower 244 feet high and a 120 foot frontage on North Terrace. There will be 20 floors above ground and two basement floors for 106 parking spaces. The main entrance from North Terrace to the ground will lead to Ansett Airlines' city terminal with a booking office and lounge, and the reception for the motel to be operated by Ansett Hotels Pty. Ltd. Ansett offices will be located on the first two floors. Floors 5 to 14 would each have 15 guest suites—a total of 150 rooms—and floors 15 to 19 will be available as leased office space. The 20th floor will accommodate the main plant room and ancillary equipment. The first four floors of the building will extend back from North Terrace along the Bank St. frontage. This complex is similar to others already under way at Perth and Brisbane. Ansett is also believed to be planning a remodeling at Sydney's Kingsford Smith Airport in the near future. It is reported that Ansett Transport Industries intends to call for tenders within nine months and building will start as soon as a tender is accepted. The Melbourne architect firm of Perrott, Lyon, Timlock & Kesa, 364 Albert St., E. Melbourne, is responsible for the project. L. R. James, an associate of the firm, said that the Adelaide project is still very much in the planning stages and that tender documents were yet to be prepared.

CHILE—The Chilean Electric Company ENDESA is preparing specifications for the **Antofagasta Power Plant.** Bids are scheduled for release directly to known interested suppliers in late 1970. Plant size is 75,000 KWH; 20,000 cubic meters water per day. Interested suppliers should contact Alvaro Covarrubias, Chief Engineer, ENDESA, Santiago, Chile.

GERMANY—Dow Chemical has announced plans to **construct production plant for methocel-methyl-cellulose** in Stade, to be completed in early 1972. According to Milan F. Ondrus, manager of Dow Chemical-GmbH in Deutschland, the annual production of the new plant will amount to 7,500 tons. It will rank as one of the largest methyl-cellulose plants in the world. Dow chose Stade because sodium hydroxide and methyl chloride, basic components of methocel, are produced there.

GERMANY—Farbenfabriken Bayer AG (Bayer), Leverkusen, has announced plans to build a $1.39 billion **chemical complex** near Brunsbuettel, Schleswig-Holstein. The new facility is expected to be in operation by 1975, and will employ approximately 5,000. The plant will be located on a 926-acre site east of Brunsbuettel between the Elbe river and the North Sea/Baltic Sea Canal (Nordostseekanal). This location which facilitates connections to the North Sea and through the Canal to the Baltic Sea is of importance to the Bayer company which in 1969 exported 53% of its sales. The size of the new operation equals that of the Bayer group's headquarters in Leverkusen. Electric power will be supplied by a new 770-megawatt nuclear power plant at Brunsbuettel targeted for operation by 1974. The Brunsbuettel plant which will produce all types of Bayer-products will be the sixth large-scale Bayer manufacturing establishment. Four of the other five are located in Northrhine-Westphalia, at Leverkusen (headquarters), Dormagen, Uerdingen, and Wuppertal. The fifth plant is located in Antwerp, Belgium.

LIBYA—On Mar. 26, the official LARG daily newspaper *Al-Thawra* announced that the Council of Ministers had approved publicizing an international tender for the construction of the following **electrical projects in Tripolitania:** 1) The installation of a generating station consisting of three steam units with a combined power capacity of 180,000 KW. 2) The installation of a 350 Km high-pressured transmission line with a power capacity of 220,000 V. 3) The installation of three gas generator units with a power capacity of 12,000 KW for each. Tendering for the above projects will be limited to internationally known and technically highly qualified companies. Other electric projects approved by the Council include: 1) Electrification of cities and villages located between Joddaien and Zuara, west of Tripoli. (Some 80 miles in length). 2) The import of 16 heavy diesel power generating units. The aforementioned scheme is part of Libya's original Development Plan which contained an extensive program for the construction of a broad network of electrical power supply. These and other electrical projects are aimed at expanding electric power facilities throughout the Libyan Arab Republic. The exact cost of these projects has not been determined. However, based on previous appropriations set aside by the old regime for similar electrical projects under the Second Five Year Development Plan, it is expected that the estimated funds to be spent on the projects listed above will be in excess of $1.4 million.

MALAGASY REPUBLIC—The Malagasy Bureau of Industrial Promotion (BDPI) has published a report which outlines the Malagasy government's plan to promote **a bicycle assembly plant in Madagascar.** The plant will import wheel rims, hubs, pedals, chains, seats, etc., to combine with a few in-plant-produced parts to assemble; eventually, 20,000 bicycles per year, of which at least 6,000 would be exported to Mauritius and Reunion are foreseen. BDPI also foresees the eventual production of motorcycles by the plant. With the need for a close technical cooperation between foreign supplier and the local plant, a small equity investment or a licensing arrangement on the part of the foreign supplier may be arranged. Initial plant investment, including working capital, is expected to be about $170,000. Interested parties should write (preferably in French) to: Bureau de Developpement et de Promotion Industriels (BDPI), Boite Postale 3180, Tananarive, Malagasy Republic.

MEXICO—The Secretaria de Obras Publicas invites companies, in countries which are members of the International Bank for Reconstruction and Development, and interested in a proposed **road construction project** to register with the Secretariat before June 2. Information on how the bidding will be conducted is available through an agent in Mexico or by writing directly to C. Secretario de Obras Publicas, Boulevard Xola y Ave. Universidad, Mexico 12, D. F., Republica Mexicana. The construction of the proposed 1,217 kilometers (approximately 750 miles) of roads at an estimated cost of over $40 million is planned to take place during 1970-1973.

VENEZUELA—The Ministry of Mines and Hydrocarbons is trying to negotiate agreement with private investors to **develop a nickel-mining operation** to produce 10,000 tons of ferro-nickel per year. The project, which the Government hopes to put into operation by late 1973, would represent an investment of approximately $20 million. The feasibility study was done by the French firm Societe Le Nickel and the project contemplates formation of a joint venture with the Venezuelan Government. The mine is located at Loma de Hierro (Loma Gorda), between the states of Aragua and Miranda. There are indications that negotiations with Le Nickel are stymied or may be broken off, in which case the Government would look for a new partner for the joint enterprise. The project involves export opportunities for mining, crushing, screening, smeltering and transport equipment. For further information write: Dr. Alvaro de Castro Acosta, Director de Minas. Ministerio de Minas e Hidrocarburos, Torre Norte, Centro Simon Bolivar, Caracas, Venezuela.

VENEZUELA—According to the Ministry of Mines and Hydrocarbons, the study for **development of the San Isidro iron-ore deposit** (near Ciudad Piar) being done by the consortium of Wells Overseas Ltd. of Toronto, Schneider-Creusot of Paris, and Philipp Brothers, a division of Engelhard Mineral and Chemical Corporation of Newark, N.J., will be completed within two months. The study contract was for the purpose of verifying the consortium's proposal first submitted to the Government of Venezuela in 1965 for the marketing of 4.5 million tons yearly of pellets and iron-ore in world markets. Investments of $70-100 million are proposed. The Ministry also announced that following completion of the study the Venezuelan Government will create a state/private company joint venture to carry out the project and will ask interested parties to submit tenders. The Ministry is also reserving until later the decision on whether the iron-ore should be shipped via the Orinoco River or, as has been proposed, through a pipeline from the San Isidro site to the deep water port of Guanta (Puerto La Cruz). Possibilities for export of mining, transport, railroad, crushing, pelletizing, pipeline and ore-loading equipment are involved in the project. Further information is available from: Dr. Alvaro de Castro Acosta, Director de Minas, Ministerio de Minas e Hidrocarburos, Torre Norte, Centro Simon Bolivar, Caracas, Venezuela.

Trinidad will purchase electric transmission, distribution items

The Purchasing Officer, Trinidad & Tobago Electricity Commission, Box 121, Port of Spain, Trinidad, W.I. has issued Tender No. 1924, 5,000 each 40 watt fluorescent tubes; Tender No. 1925, 1500 each insulators; Tender

No. 1926, 1,000 each 115 V, 60 cycle ballasts for 2x40 watt fluorescent fittings; Tender No. 1927, 6,000 each line connectors; Tender No. 1928, 20,000 each split bolt connectors; Tender No. 1929, 750 softy helmets-white; Tender No. 1930, 100 each pairs linesmen's climbers; 1931, 200 each pairs gaffs for linemen's climbers; bid deadline June 2.

A copy of the specifications are available from the Power & Electrical Equipment Division, BDSA, Room 5886C, Department of Commerce, Washington, D.C. 20230 (202-967-4241). Copies are also available for review at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

Leads for Importers

Commodities are offered direct unless specified

209 Food preparations

20900—UGANDA—Vanilla in fairly large quantities. Damji Plantations Ltd. (exporter), P.O. Box 108, Kampala. WTD in preparation.

Tender issued by agency on mobile VTR devices

The Office of Supply, Government of the Republic of Korea has issued Tender No. KFX-0066-P1 for the supply of a mobile VTR system. The bid deadline is May 26. Bids should offer a mobile VTR unit with three camera chains, two 7Ghz microwave links, and one audio system.

Copies of the tender announcement and specifications are available from the Procurement Office Joon Shik Kim, Procurement Attache, Korean Consulate-General, 9 E. 80th St., New York, N.Y. 10021, or on a short-term loan basis to firm located in the U.S. from the Communications-Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-4823).

NATO agency in Italy announces future communications project

The Ministero Difesa, Telecomdife, Infrastructure NATO has announced Tender No. 10.028 for the supply and installation of an HF/SSB equipment.

U.S. companies interested in bidding on this project should send requests for bidding invitations to Ministero Difesa, Telecomdife Infrastructure NATO, Viale Dell'Universita, 00100 Rome, not later than May 20. Estimated cost of the project is 330,000 I.A.U. (1-I.A.U. equals U.S. $2.80)

Only US. firms certified by the U.S. Department of Commerce are eligible to bid on NATO projects. U.S. firms interested in certification should contact the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230.

Korea solicits bidding on variety of equipment

Korea invites bids for the supply of 76 items in various quantities of scientific, electrical, physical characteristics, and machine shop instruments and equipment including: low-frequency generator; wave analyzer; regohmmeters; distortion analyzer; electronic counter; field intensity meter; universal filter; time interval counter; voltage stabilizing equipment; potentiometer facility; standard potential transformer; temperature humidity chamber; dielectric strength tester; volt and watt meters; distortion analyzer; dual-trace oscilloscope; capacitance and inductance measuring assemblies; vacuum tube voltmeter; electro-acoustic transmission measuring system; power-hack saw machine; wood-metal cutting band saw; notcher; bender; shear; atomic absorption-flame emission spectrometer; digital computer processor; analytical balance; motor grinder; fatigue, impact, torsional, universal compression, load deformation, and bending-stiffness testers; and many more.

The Tender No. is SLC-0061-P II, and the bid deadline is May 22. Bids are invited by the Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications are available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-2939). A review copy will also be available at the Department of Commerce Field Office, 11444 Federal Bldg., 450 Golden Gate Ave., San Francisco, Calif. 94102 (415-556-5868).

Sao Paulo extends bid deadline on supplying educational items

The State of Sao Paulo, Brazil, has extended the bid deadline to May 21 (INTERNATIONAL COMMERCE, Mar. 23, p. 33) on 659 items, in various quantities, of technical and scientific educational equipment including machine tools for schools in the Department of Technical Education.

A complete list of the equipment, terms and specifications are available for 50 new cruzeiros per set (4.41 new cruzeiros equal US $1) from Prof. Walter Costa, Director, Department de Ensino Tecnico E Profissional, Rua Piratininga N. 85, 2 andar, Sala 200, Sao Paulo.

A review copy in Portuguese is available for inspection only, not for loan, at the Scientific and Business Equipment Division, BDSA-653, Room 4120, U.S. Department of Commerce, Washington, D.C. 20230 (202-967-2939).

TV, telecommunications devices sought by Korean agency

The Office of Supply, Government of the Republic of Korea has issued Tender No. SLC-0068 for the supply of TV and telecommunications equipment. The bid deadline is May 29.

Bids should offer teletypewriter console, video switching system, synchronizing generator, monoscope camera, 10Kva automatic voltage regulator, video and pulse distribution amplifiers, video switcher, video monitors microphones, patch panels and lighting equipment and parts.

Copies of the tender announcement and specifications are available from the Procurement Office in New York, Joon Shik Kim, Procurement Attache, Korean Consulate-General, 9 E. 80th St., New York, N.Y., 10021, or on a short-term loan basis to firms located in the U.S. from the Communications-Electronics Division, BDSA-643, Room 4209, U.S. Department of Commerce, Washington, D.C. 20230 ★(202-967-4823).

Visiting Buyers and Officials

AUSTRALIA—J. N. Morrey, Product Sales Manager, Bradmill Industries, Bradmill House Corner, Missenden and Parramatta Roads, Camperdown, Sydney, N.S.W. 2050, **interested in studying fabrics for women's wear and discussing possible importing into Australia of various textiles, such as greige or dyed man made fiber blends, man made fiber yarn and fabric trends, and establishing U.S. contacts to obtain continuing flow of market information on fabrics and yarns, and in discussing current and projected marketing techniques in the textile industry with mill and distribution executives and frock and sportswear garment manufacturers.** George Sinclair, Executive of the same firm, will travel with Morrey; his business interests lie in the same area but he will **concentrate in the men's wear field.** May 15 via New York for approx. 3 weeks. c/o N.S.W. Centre, Suite 1301, 680 Fifth Ave., New York, N.Y. 10019. Itinerary: 5/15-27 New York, 5/28-6/1 San Francisco, 6/1-3 Los Angeles WTD 3/70.

BRAZIL—George Gregory Petrowicz, Prolumex, Av. Rio Branco 108, gr, 507, Rio de Janeiro, GB, ZC-21, **interested in import/agency agreements for U.S. electrical equipment and requesting technical information.** May 2 via New York for 20 days. c/o Prudential International Inc., 122 E. 42nd St., New York, N.Y. 10017. Itinerary: New York, Rochester. WTD 8/67 under revision.

GERMANY—Winfried Wilhelm, Senior Editor, *Capital*, 74 Eupener Str., 5 Koeln-Braunsfeld, **interested in commercial contacts with U.S. organizations, information resources in all fields of economic policy and industries.** April 22 via New York for 6 mos. c/o Fred F. Fields, INTA, 1560 Broadway, New York, N.Y. 10036. Itinerary: New York, Boston, San Francisco, Los Angeles, Houston, Detroit, Kansas City, Washington.

SAUDI ARABIA—Siraj Attar, Siraj Attar & Bros., P.O. Box, Jidda, **interested in meeting American insurance companies to obtain agency for fire, marine and casualty insurance.** May 17 via San Francisco for approx. 2 weeks. c/o Robert Wells, Comet Rice, P.O. Box 1681, Houston, Tex. Itinerary. San Francisco, Los Angeles, Houston, New York. WTD 9/68 under revision.

SAUDI ARABIA—Abdul Raouf Abu Zinadah, Associated Agencies, P.O. Box 419, Jidda, **interested in visiting U.S. firms represented by his company.** May 17 via San Francisco for 2-3 weeks. c/o Robert Wells, Comet Rice, P.O. Box 1681, Houston, Tex. Itinerary: San Francisco, Houston, New York. WTD under revision.

XUM

New Books and Reports

***Purchasing Power and Regional Maps of Germany 1970* (Kaufkraft und Kreiskarte der Bundesrepublik 1970). Prepared by the Gesellschaft fuer Konsum-, Markt- und Absatzforschung e.V., Nuernberg. Published by Verlag Moderne Industrie, Munich. $5 and $1.50 (plus postage).**

The newly-revised edition of the German "purchasing-power" maps should be useful for U.S. businessmen in deciding where to concentrate sales efforts in Germany. The publication consists of two maps and an explanatory brochure. The first map shows purchasing power per capita in the various districts of Germany by dividing per capita purchasing power into 11 categories, each represented by a different color. The darker the color, the higher the per capita purchasing power of the district. The second regional map, in black and white, provides a place to keep records of district sales, number of customers by regions and other information.

The maps are available in two sizes, a pocket size edition contained in a plastic folder or in two 30" x 40" wall maps. The pocket-size maps sell for $5.00 plus postage and the wall maps for $1.50.

Write: Verlag Moderne Industrie, Leopoldstrasse 246-248, 8 Munich 23.

***Traders and Diplomats*. By Ernest Preeg. Published by The Brookings Institution, Washington, D.C. 320 pp., $6.75.**

The author, a member of the U.S. negotiating team in the Kennedy Round of multilateral trade negotiations in 1963-67, discusses the origins of the Kennedy Round and analyzes the negotiations chronologically. These negotiations capped 20 years of achievement under the General Agreement on Tariffs and Trade.

Preeg surveys the results of the Kennedy Round—for the industrial and agricultural sectors, for the reduction of tariff dispersion and tariff differentials, for products of interest to developing countries—and suggests some of the implications for future trade policy.

Write: Brookings Institution, 1775 Massachuetts Ave., N.W., Washington, D.C. 20036.

***Publishers' World 69-70*. R. R. Bowker Co., New York. 1969. 352pp. $15.**

This yearbook for publishers, booksellers and librarians is a guide to co-production and import practices of American and foreign publishers. Discussed are the book industry in Hungary, the past and future of the International Publishers Association, French publishing, international trade customs, international literary prizes, Didacta—an international educational fair, the Frankfurt Fair, company histories, and bestsellers. Also provided is a listing of 5,500 publishers, importers-exporters and a standard book numbering report. Data include book production 1964-66, authors most frequently translated, translations published in 1963-66 by country of publication, libraries and their holdings by type of library, and production of school textbooks in 1966.

Write: R. R. Bowker Co., 1180 Avenue of the Americas, New York, N.Y. 10036.

***Cargo Containers: Their Stowage, Handling and Movement*. By Herman D. Tabak. Cornell Maritime Press, Cambridge, Md. 1970. 386 pp. $10.**

The development of modern containerization has brought about a unique change in transportation of goods by land and sea. A detailed and comprehensive study of the many aspects of this unique transportation system is international in scope, dealing with all areas in which containers are a fact of life or are about to become one. Beginning with a brief history, discussed are standardization of sizes, construction, types, "intermodality," the "transmodalist," ownership, leasing, methods of usage and limitations, documentation, stowage, etc. International regulations and agreements as well as a glossary of terms are provided.

Write: Cornell Maritime Press, Inc., Box 109, Cambridge, Md. 21613.

***Yearbook of National Accounts 1958-68*. Published by the European Communities, Brussels. $2.**

The Statistical Office of the European Communities has published data from the national accounts of the six Common Market countries—Belgium, France, Germany, Italy, Luxembourg, and the Netherlands—for the period 1958-68 and, for comparison, certain aggregate data for the United Kingdom, the United States, and Japan.

The yearbook provides an integrated body of information on national product and national income trends, the use and source of goods and services, the contribution to the domestic product made by various types of activity, total employment and paid employment, the distribution of national income, the breakdown of capital formation and consumption, the operation of households and public authorities, and operations with the rest of the world.

The annual also introduces two new series of tables. The first gives a detailed breakdown of taxes for each member country according to the classification used in national accounting. The second gives tables on financial operations for the Community countries according to a pattern already based largely on the European system of national accounting.

Write: European Community Information Service, 2100 'M' St., NW., Suite 707, Washington, D.C. 20037.

Biennial data book ready

The 1969 edition of *Business Statistics*, the seventeenth in a series of biennial volumes providing important information on the Nation's economy, has been released by the Commerce Department's Office of Business Economics. The 400-page publication is a basic source book for all who analyze economic conditions.

The new edition provides a wealth of information on a wide variety of subjects. In addition to data on the gross national product and national income, it covers plant and equipment expenditures, the U.S. balance of international payments, business sales, inventories, and orders, prices, employment and unemployment, construction, banking and finance, foreign trade, transportation, and many other industries as well as numerous commodities. A number of the statistical series are shown seasonally adjusted as well as unadjusted.

Annual data for most of the series are shown back to 1939. Quarterly data back to 1958 are provided for those series ordinarily published on a quarterly basis, and monthly figures are shown back to 1965. For about 350 of the more important series, monthly or quarterly data back to 1947 are shown in an appendix.

Write: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Price: $3.

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Calendar *for international traders*

(Cont'd from inside front cover)

son Art Gallery. Sponsors: International Trade Club of Greater Kansas City, Women's Chamber of Commerce, Int'l Relations Council.

LONG ISLAND, N.Y.—May 20—Luncheon meeting of the World Trade Club of Long Island, Kings Point Merchant Marine Academy. Speaker: Neal L. Moylan, New York Commissioner of Commerce.

LOS ANGELES—May 19—Export seminar, L.A. City Hall. Sponsor: Export Managers Assn. of Southern California and the Mayor's City Economic Development Board.

LOS ANGELES—May 20—In-plant export seminar, Builders Brass Works. Sponsor: Field Office.

MARION, ILL.—May 20—Export luncheon/workshop at Holiday Inn. Sponsors: Fabick Machinery Co., REEC, St. Louis Field Office.

MEMPHIS—May 19—REEC meeting and dinner. Speaker: Robert J. Patrick, Dep. Spec. Asst. to Asst. Secy. of Treasury for Tax Policy. Sponsor: Memphis World Trade Club.

MEMPHIS—May 20—Forum on Africa, Albert Pick Motor Inn, Sponsors: Mid-South Exporters' Roundtable, REEC, Field Office.

MIAMI—May 20—All-day symposium on foreign trade and investment, 9 a.m.-9 p.m., Sheraton Four Ambassadors Hotel. Sponsors: South Florida REEC, Field Office.

MIAMI BEACH—May 20—Foreign Credit Interchange Bureau's monthly Round Table Conference on International Credit, Collection and Exchange Problems. Fontaine Room, Fontainebleau Hotel, 12:30.

MILWAUKEE—May 20—Sixth Wisconsin International Trade Conference and World Trade Dinner, Pfister Hotel.

NASHVILLE—May 21—Luncheon on Africa. Speaker: Dr. Rene La Marre, president of the Afro-American Purchasing Center in New York. Sponsors: Middle Tennessee Exporters Roundtable, REEC, Commerce's Memphis Field Office.

NEW HAVEN, CONN.—May 19—World Trade Seminar and Displays, 4 to 6 p.m., banquet 7 p.m. at Les Shaws, off the Wilbur Cross Parkway, Exit 59. Speaker: **Harold B. Scott, Director of Bureau of International Commerce, U.S. Dept. of Commerce.** Sponsors: REEC, Connecticut Development Commission, and Hartford Field Office.

NEW ORLEANS—May 20—World Trade Week luncheon, noon, Plimsoll Club. Sponsors: Export Managers Club of New Orleans, Louisiana-Mississippi REEC, Commerce Field Office.

NEW YORK—May 18—World Trade Day luncheon, Plaza Hotel, 12:30. Speaker: Carl J. Gilbert, the President's Special Representative for Trade Negotiations.

NEW YORK—May 19—Air Cargo luncheon, Statler-Hilton, 12:30. Sponsor: International Exec. Assn.

NEW YORK — May 21 — Propeller Club's World Trade Week luncheon, Biltmore, 12:30. Speaker: Andrew E. Gibson, Administrator of the U.S. Maritime Administration.

NEWARK—May 20—Profits in Export meeting, 11 a.m., Small Business Admin., 970 Broad St. Sponsors: REEC, SBA, Commerce's New York Field Office.

NEWARK—May 21—World Trade Assn. of New Jersey luncheon, Military Park Hotel, 12:30. Speaker: **Robert McLellan, Deputy Asst. Secretary of Commerce for Business Development.**

OAKLAND, CALIF.—May 22—Annual international banquet honoring the San Francisco Consular Corps, 10 Jack London Square. Sponsor: Oakland World Trade Club.

ORLANDO, FLA.—May 21—Graduation Dinner, 7th annual Orlando Export Trade Seminar.

PHILADELPHIA—May 21—Foreign Traders Assn.'s World Trade Week Dinner, the Downtown Club. Speaker: **Secretary of Commerce Maurice H. Stans.**

PHOENIX—May 19 and May 21—In-office workshop, Commerce Field Office, 10 a.m.-noon. Sponsors: REEC, Field Office.

ST. LOUIS—May 19—World Trade Week luncheon, Stouffer's Riverfront Inn. Sponsors: Chamber of Commerce, World Trade Club, REEC, and Commerce Field Office.

ST. LOUIS—May 21—World Trade Week Port of Mobile dinner, Colony Motor Hotel, Clayton. Sponsors: World Trade Club, Chamber of Commerce, REEC, Field Office.

SAN FRANCISCO—May 18—World Trade Week luncheon. Speaker: Rudolph Peterson, former president of the Bank of America. Sponsors: San Francisco World Trade Assn., World Affairs Council, Calif. Council for International Trade, Society for International Development.

SAN FRANCISCO—May 21—World Trade Week luncheon, Venetian Room, Fairmont Hotel. Speaker: Swiss Ambassador to the United States Felix Schnyder. Sponsor: San Francisco World Trade Assn.

SAVANNAH—May 22—World Trade Week REEC Luncheon, 12:30, Regency Room of the Downtowner Motel. Speaker: **Jack O. Padrick, Director of Field Services, U.S. Dept. of Commerce.**

SAVANNAH — May 22 — Annual Maritime Day Banquet, main ballroom, DeSoto Hotel. Speaker: **Jack O. Padrick, Director of Field Services, U.S. Dept. of Commerce.**

SKOKIE, ILL.—May 22—Export trade seminar, Pyrenees Restaurant. Sponsors: Skokie Valley Industrial Assn. and Commerce Dept.'s Chicago Field Office.

SIKESTON, MO.—May 22—Export Conference at Sikeston Country Club. Sponsors: Fabick Brothers Equipment Co., REEC, and Commerce's St. Louis Field Office.

TAMPA—May 22—Propeller Club of Tampa's National Maritime Banquet.

VICKSBURG, MISS. — May 21 — World Trade Week luncheon. Speaker: Erik F. Johnsen, President of Central Gulf Steamship Lines of New Orleans. Sponsor: Rotary Club of Vicksburg.

WALLINGFORD, CONN.—May 27 —General luncheon meeting of the Combination Export Managers Assn. of Connecticut, 11:15 a.m.-2 p.m. Yankee Silversmith Inn.

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